
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your securities in 21 Holdings Limited (the “Company”), you should at once hand this prospectus and the accompanying PAL and EAF to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Dealings in the securities of the Company and the Rights Shares in their nil-paid and fully-paid forms may be settled through CCASS and you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests.

A copy of each of the Prospectus Documents, having attached thereto the written consent referred to under the paragraph headed “Expert” in Appendix III to this prospectus, has been registered by the Registrar of Companies in Hong Kong pursuant to section 342C of the Companies Ordinance and a copy of this Prospectus has been or will as soon as reasonably practicable be filed with the Registrar of Companies in Bermuda pursuant to the Companies Act 1981 of Bermuda (as amended). The Securities and Futures Commission of Hong Kong, the Registrar of Companies in Hong Kong and the Registrar of Companies in Bermuda take no responsibility as to the contents of any of the documents referred to above.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this prospectus, 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 this prospectus.



21 Holdings Limited

21 控股有限公司*

(incorporated in Bermuda with limited liability)

(stock code: 1003)

RIGHTS ISSUE ON THE BASIS OF TEN RIGHTS SHARES FOR EVERY ONE SHARE HELD ON THE RECORD DATE

Financial adviser to 21 Holdings Limited



英皇融資有限公司
Emperor Capital Limited

Underwriters of the Rights Issue



結好證券有限公司
GET NICE SECURITIES LIMITED



英皇證券(香港)有限公司
Emperor Securities Limited

It should be noted that dealings in the Rights Shares in the nil-paid form will take place from Wednesday, 22 December 2010 to Friday, 31 December 2010 (both dates inclusive). If the conditions of the Rights Issue are not fulfilled or waived (as applicable) or the Underwriting Agreement is terminated by the Underwriters, the Rights Issue will not proceed. Any dealing in the nil-paid Rights Shares during the period from Wednesday, 22 December 2010 to Friday, 31 December 2010 (both dates inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

It should be noted that the Underwriting Agreement in respect of the Rights Issue contains provisions entitling the Underwriters by notice in writing to the Company at any time prior to 4:00 p.m. on the Latest Time for Termination to terminate the obligations of the Underwriters thereunder on the occurrence of certain events including force majeure. These events are set out under the paragraph headed “Termination of the Underwriting Agreement” on pages 17 to 18 of this prospectus. If the Underwriters terminate the Underwriting Agreement in accordance with the terms thereof, the Rights Issue will not proceed. In addition, the Rights Issue is conditional on all conditions set out on page 18 of this prospectus being fulfilled or waived (as applicable). In the event that the above conditions have not been satisfied and/or waived in whole or in part by the Underwriters on or before 4.00 p.m. on Monday, 10 January 2011 (or such later date as the Underwriters and the Company may agree), the Underwriting Agreement shall terminate and no party shall have any claim against the other party for costs, damages, compensation or otherwise and the Rights Issue will not proceed.

20 December 2010

* for identification purpose only

CONTENTS

	<i>Page</i>
Expected timetable	1
Definitions	3
Letter from the Board	8
Appendix I: Financial information on the Group	22
Appendix II: Unaudited pro forma financial information	25
Appendix III: General information	29

EXPECTED TIMETABLE

Set out below is an indicative timetable for the implementation of the Rights Issue:

Despatch of the Prospectus Documents	Monday, 20 December 2010
Register of members re-opens	Monday, 20 December 2010
First day of dealings in nil-paid Rights Shares	Wednesday, 22 December 2010
Latest time for splitting of nil-paid Rights Shares	4:30 p.m. on Tuesday, 28 December 2010
Last day of dealings in nil-paid Rights Shares	Friday, 31 December 2010
Latest time for acceptance of, and payment for, the Rights Shares and application for excess Rights Shares	4:00 p.m. on Wednesday, 5 January 2011
Latest time for termination of the Underwriting Agreement	4:00 p.m. on Monday, 10 January 2011
Announcement of results of the Rights Issue	Wednesday, 12 January 2011
Refund cheques for wholly and partially unsuccessful applications for excess Rights Shares expected to be posted on or before	Thursday, 13 January 2011
Certificates for the Rights Shares expected to be despatched on or before	Thursday, 13 January 2011
Dealings in fully-paid Rights Shares commence	9:30 a.m. on Monday, 17 January 2011

Note: All references to time in this prospectus are references to Hong Kong time.

Dates or deadlines specified in this prospectus are indicative only and may be extended or varied by agreement between the Company and the Underwriters, and subject to the approval by the Stock Exchange of such amendments. Any consequential changes to the expected timetable will be published or notified to Shareholders as and when appropriate.

EXPECTED TIMETABLE

Effect of bad weather on the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares

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 Wednesday, 5 January 2011, the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Right Shares will not take place at 4:00 p.m. on Wednesday, 5 January 2011, but will be extended to 5:00 p.m. on the same day instead; and
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Wednesday, 5 January 2011, the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Right Shares will not take place on Wednesday, 5 January 2011, but 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 Rights Shares and for application and payment for excess Right Shares does not take place on Wednesday, 5 January 2011, the dates mentioned in this section may be affected. An announcement will be made by the Company in such event.

DEFINITIONS

The following terms have the following meanings in this prospectus unless the context otherwise requires:

“Acquisition”	the acquisition of 100% equity interest in the Target Company by the Purchaser
“Announcement”	the announcement of the Company dated 22 September 2010 in relation to, among other things, the Capital Reorganisation, the Rights Issue, the Acquisition and the Repurchase Offer
“associate(s)”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (other than Saturday, Sunday and public holiday and any day on which a tropical cyclone warning No. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which the banks are open for business in Hong Kong
“BVI”	the British Virgin Islands
“Bye-Laws”	the bye-laws of the Company from time to time
“Capital Reorganisation”	the reorganisation of the capital of the Company as set out in the Circular
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Circular”	the circular of the Company dated 12 November 2010 in relation to, among other things, the Capital Reorganisation, the Rights Issue, the Acquisition and the Repurchase Offer
“Company”	21 Holdings Limited, a company incorporated under the laws of Bermuda with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1003)
“Completion”	the completion of the Acquisition
“connected person(s)”	has the meaning ascribed to it in the Listing Rules

DEFINITIONS

“Convertible Note”	the 2% convertible note(s) due July 2011 issued by the Company with aggregate principal amount of HK\$130,000,000 and outstanding principal amount of HK\$70,000,000 as at the Latest Practicable Date
“Director(s)”	director(s) of the Company
“Emperor”	Emperor Securities Limited, a licensed corporation to carry out business in type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO
“Enlarged Group”	the Group and the Target Group upon Completion
“Excess Application Form(s)” or “EAF(s)”	the form(s) of application for use by the Qualifying Shareholders who wish to apply for excess Rights Shares
“Excluded Overseas Shareholder(s)”	the Overseas Shareholder(s) whose address is/are in a place(s) outside Hong Kong where, the Directors, based on legal opinions provided by legal advisers of the Company, consider it necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place not to offer the Rights Shares to such Overseas Shareholder(s)
“Get Nice”	Get Nice Securities Limited, a licensed corporation to carry out business in type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Independent Shareholder(s)”	Shareholders other than Mr. Ng and his associates
“Independent Third Party(s)”	third party(ies) independent of, and not connected with, the Company and its connected persons and is (are) not connected person(s) of the Company
“Irrevocable Undertaking”	the irrevocable undertaking given by Mr. Ng in favour of the Company and the Underwriters on 14 September 2010
“Last Trading Day”	14 September 2010, being the last trading day before the suspension of the trading of the Shares on the Stock Exchange pending the release of the Announcement

DEFINITIONS

“Latest Practicable Date”	14 December 2010 being the latest practicable date for the purpose of ascertaining certain information contained in this prospectus
“Latest Time for Termination”	being the third business day after the latest time for acceptance of, and payment for, the offer of Rights Shares and application for excess Rights Shares, being 4:00 p.m. on Monday, 10 January 2011
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Ng”	Mr. Ng Kai Man, the Chairman and an executive Director
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company as at the close of the business on the Record Date and whose address(es) as shown on such register is (are) outside Hong Kong
“Pre-Adjusted Share(s)”	the ordinary share(s) of HK\$0.01 each in the issued share capital of the Company, before the Capital Reorganisation became effective
“Posting Date”	being the date of despatch of the Prospectus Documents to the Qualifying Shareholders and despatch of the Prospectus to the Excluded Overseas Shareholders for information only, being Monday, 20 December 2010
“PRC”	The People’s Republic of China, which for the purpose of this prospectus, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus Documents”	this prospectus, the PALs and the EAFs
“Provisional Allotment Letter(s)” or “PAL(s)”	the provisional allotment letter(s) in connection with the Rights Issue proposed to be issued to the Qualifying Shareholders as mentioned herein
“Purchaser”	Asset Expert Limited, a wholly-owned subsidiary of the Company
“Qualifying Shareholders”	Shareholders other than the Excluded Overseas Shareholders
“Record Date”	the record date for determining the entitlements of the Shareholders to participate in the Rights Issue, being Friday, 17 December 2010
“Registrar”	Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, the Company’s Hong Kong branch share registrar

DEFINITIONS

“Repurchase Agreement”	the agreement dated 14 September 2010 entered into between the Company and Mr. Ng in relation to the repurchase of the Convertible Note by the Company
“Repurchase Offer”	the agreement to repurchase the Convertible Note made under the Repurchase Agreement
“Rights Issue”	the proposed issue by way of rights of Rights Shares at a price of HK\$0.19 per Rights Share on the basis of ten Rights Shares for every one Share held on the Record Date on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Rights Share(s)”	1,126,955,740 Shares proposed to be offered to the Qualifying Shareholders for subscription on the basis of ten Rights Shares for every one Share held on the Record Date pursuant to the Rights Issue
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company convened and held on 6 December 2010 at which the Capital Reorganisation, the Rights Issue, the Acquisition, the Repurchase Offer and the re-election of Mr. Lam Kwok Cheong as an independent non-executive Director were approved
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“SPA”	the sale and purchase agreement dated 14 September 2010 in respect of the Acquisition
“Specified Event”	an event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of the undertakings, warranties and representations given by the Company under the Underwriting Agreement untrue or incorrect in any material respect
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Subscription Price”	the subscription price for the Rights Shares, being HK\$0.19 per Rights Share
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers
“Target Company”	Vigour Well Limited, a company established in the BVI with limited liability
“Target Group”	the Target Company and its subsidiaries as set out in the Circular
“Underwriters”	Get Nice and Emperor
“Underwriting Agreement”	the underwriting agreement dated 14 September 2010 in relation to the Rights Issue entered into between the Company and the Underwriters
“Underwritten Shares”	1,126,955,740 Rights Shares underwritten by the Underwriters pursuant to the terms of the Underwriting Agreement
“Vendor”	Prolific Wise Limited, a company established in the BVI with limited liability
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



21 Holdings Limited

21 控股有限公司*

(incorporated in Bermuda with limited liability)

(stock code: 1003)

Executive Directors:

Mr. Ng Kai Man (*Chairman*)

Mr. Cheng Yuk Wo

Mr. Ha Kee Choy, Eugene

Independent non-executive Directors:

Mr. Chui Chi Yun, Robert

Mr. Lam Kwok Cheong

Mr. Lui Siu Tsuen, Richard

Registered office:

Canon's Court, 22 Victoria Street
Hamilton HM 12, Bermuda

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

10th Floor

88 Gloucester Road

Wanchai

Hong Kong

20 December 2010

*To the Qualifying Shareholders, and for information only,
the Excluded Overseas Shareholders and
the holder of the Convertible Note*

Dear Sir or Madam,

**RIGHTS ISSUE
ON THE BASIS OF TEN RIGHTS SHARES
FOR EVERY ONE SHARE HELD
ON THE RECORD DATE**

INTRODUCTION

On 22 September 2010, the Board announced that the Company proposed, subject to the Capital Reorganisation becoming effective, to raise approximately HK\$214.12 million before expenses, by way of the Rights Issue of 1,126,955,740 Rights Shares at the Subscription Price of HK\$0.19 per Rights Share on the basis of ten Rights Shares for every one Share held on the Record Date and payable in full on acceptance.

* for identification purpose only

LETTER FROM THE BOARD

Under the Announcement, the Board also announced that on 14 September 2010 (after trading hours), (i) the Purchaser (a wholly-owned subsidiary of the Company) entered into the SPA with the Vendor, pursuant to which the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the entire issued share capital of and shareholder's loan due by the Target Company at the consideration of HK\$180 million; and (ii) the Company and Mr. Ng entered into the Repurchase Agreement pursuant to which the Company agreed, subject to the Rights Issue having been completed and the Repurchase Offer having been approved by the Independent Shareholders at the SGM, to repurchase the Convertible Note at a price of HK\$67.9 million payable in cash, which equals to 97% of the outstanding principal amount of the Convertible Note.

The Capital Reorganisation, the Rights Issue, the Acquisition and the Repurchase Offer were approved by the Shareholders at the SGM held on 6 December 2010 and the Capital Reorganisation became effective on 7 December 2010.

The purpose of this prospectus is to provide you with, among other matters, further information regarding the details of the Rights Issue.

RIGHTS ISSUE

Issue statistics

Basis of the Rights Issue	:	ten Right Shares for every one Share held on the Record Date
Subscription Price	:	HK\$0.19 per Rights Share
Number of Shares as at the Record Date	:	112,695,574 Shares
Number of Right Shares	:	1,126,955,740 Right Shares (with an aggregate nominal value of HK\$11,269,557.4) (<i>Note</i>)

Note:

As at the Latest Practicable Date, Mr. Ng is holding the Convertible Note with the outstanding principal amount of HK\$70,000,000 convertible into 8,373,205 Shares at the conversion price of HK\$8.36 per Share (subject to adjustments). Mr. Ng has given an Irrevocable Undertaking, inter alia, not to transfer or deal with the Convertible Note and not to exercise the conversion rights attaching to the Convertible Note until the close of business on the Record Date pursuant to and subject to the terms of the Irrevocable Undertaking.

Save for the above outstanding Convertible Note, the Company has no derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares as at the Latest Practicable Date. Further announcement will be made by the Company for the adjustment in the conversion price of the Convertible Note when the Rights Issue proceeds.

LETTER FROM THE BOARD

Qualifying Shareholders

The Company will offer the Rights Shares for subscription to Qualifying Shareholders only. The Prospectus will be sent to the Excluded Overseas Shareholders for information only.

A Shareholder who wishes to accept the Rights Shares must at the close of business on the Record Date:

- (i) be registered as a member of the Company; and
- (ii) not be an Excluded Overseas Shareholder.

Subscription Price

The Subscription Price is HK\$0.19 per Rights Share, payable in full by a Qualifying Shareholder upon acceptance of the provisional allotment of the Rights Shares under the Rights Issue or application for excess Rights Shares or when a renouncee of any provisional allotment of the Rights Shares or a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 87.66% to the adjusted closing price of HK\$1.54 per Share based on the closing price of HK\$0.077 per Pre-Adjusted Share as quoted on the Stock Exchange on the Last Trading Day and adjusted for the effect of the Capital Reorganisation;
- (ii) a discount of approximately 87.20% to the adjusted average closing price of approximately HK\$1.484 per Share, based on the average closing price of HK\$0.0742 per Pre-Adjusted Share for the last five trading days up to and including the Last Trading Day and adjusted for the effect of the Capital Reorganisation;
- (iii) a discount of approximately 39.30% to the theoretical ex-rights price of HK\$0.313 per Share based on the closing price as quoted on the Stock Exchange on the Last Trading Day and adjusted for the effect of the Capital Reorganisation;
- (iv) a discount of approximately 91.07% to the audited consolidated net asset value per Share (based on 112,695,574 issued Shares as at the Latest Practicable Date) of approximately HK\$239,649,000 as at 31 December 2009; and
- (v) a discount of approximately 51.28% to the closing price of HK\$0.39 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

LETTER FROM THE BOARD

The Subscription Price was arrived at after arm's length negotiation between the Company and the Underwriters with reference to the market price of the Shares under the prevailing market conditions. The Directors (including the independent non-executive Directors) consider that the discount of the Subscription Price would encourage Shareholders to participate in the Rights Issue and accordingly to maintain their shareholdings in the Company and participate in the future growth of the Group and the terms of the Rights Issue (including the terms of the Underwriting Agreement) are fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

As the estimated net proceeds from the Rights Issue will be approximately HK\$208.6 million, the net price per Rights Share would be approximately HK\$0.185.

Basis of provisional allotments

Ten (10) Rights Shares (in nil-paid form) for every one (1) Share held by Qualifying Shareholders as at the close of business on the Record Date. The Rights Shares (nil-paid form) will be traded in board lots of 10,000.

Status of the Rights Shares

The Rights Shares will rank pari passu in all respects with the Shares in issue on the date of allotment and issue of the fully-paid Rights Shares. Holders of the fully-paid Rights Shares (when allotted, issued and fully paid) will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the Rights Shares. Dealings in the Rights Shares will be subject to payment of stamp duty in Hong Kong.

Rights of Overseas Shareholders

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

According to the register of members of the Company as at the Record Date, there were two Overseas Shareholders with registered address in Macau and Australia respectively. The Company has made enquiries pursuant to Rule 13.36(2) of the Listing Rules regarding the feasibility of extending the Rights Issue to these Overseas Shareholders. Based on the advice provided by the legal counsels on the laws of Macau currently in force, the Directors have decided to extend the Rights Issue to such Overseas Shareholder with registered address located in Macau as shown on the register of members of the Company as at the Record Date. Based on the advice of the Company's legal counsels on the laws of Australia and having regard to the likely costs and time involved if overseas compliance were to be observed, the Board is of the opinion that it would be necessary or expedient to exclude from the Rights Issue such Overseas Shareholder whose registered address is in Australia as shown on the register of member of the Company as at the Record Date. Accordingly, the Overseas Shareholder whose registered address is in Australia will be regarded as an Excluded Overseas Shareholder. The Company will send a copy of the Prospectus to the Excluded Overseas Shareholder for his/her information only on the Posting Date.

LETTER FROM THE BOARD

It is the responsibility of any person (including but without limitation nominee, agent and trustee) receiving a copy of the Prospectus Documents outside Hong Kong and wishing to take up the Rights Shares under the Rights Issue to satisfy himself as to the full observance of the laws of the relevant territory including the obtaining of any governmental or other consents for observing any other formalities which may be required in such territory or jurisdiction, and to pay any taxes, duties and other amounts required to be paid in such territory or jurisdiction in connection therewith. Any acceptance of the Rights Shares by any person will be deemed to constitute a representation and warranty from such person to the Company that these local laws and requirements have been complied with. Shareholders should consult their professional advisers if in any doubt.

Arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Excluded Overseas Shareholder to be sold in the market in their nil-paid form as soon as practicable after dealings in the Rights Shares in their nil-paid form commence and before dealings in the Rights Shares in their nil-paid form end, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expense, of more than HK\$100 will be paid to the Excluded Overseas Shareholder. In light of the administrative costs, the Company will retain individual amounts of HK\$100 or less for its own benefit. Any unsold entitlement of Excluded Overseas Shareholder to the Rights Shares, together with any unsold Rights Shares created by adding together fractions of the Rights Shares and any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders or otherwise subscribed for by transferees of nil-paid Rights Shares, will be made available for excess applications on EAFs by the Qualifying Shareholders.

Fractions of the Rights Shares

The Company will not provisionally allot fractions of the Rights Shares, if any in nil-paid form. All fractions of the Rights Shares will be aggregated and all nil-paid Rights Shares arising from such aggregation will be sold in the market, if a premium (net of expenses) can be achieved and the Company will keep the net proceeds for its own benefit. Any unsold fractions of Rights Shares will be made available for excess application.

Procedures for acceptance and payment or transfer

Qualifying Shareholders will find enclosed with this prospectus a PAL which entitles them to subscribe for the number of Rights Shares shown therein. If the Qualifying Shareholders wish to accept all the Rights Shares provisionally allotted to them as specified in the PAL, they must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar by no later than 4:00 p.m. on Wednesday, 5 January 2011. All remittances must be made in Hong Kong dollars. Cheques must be drawn on an account with, and cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "21 HOLDINGS LIMITED - RIGHTS ISSUE ACCOUNT" and crossed "ACCOUNT PAYEE ONLY".

LETTER FROM THE BOARD

It should be noted that unless the duly completed PAL, together with the appropriate remittance, has been lodged with the Registrar by 4:00 p.m. on Wednesday, 5 January 2011, whether by the original allottee or any person to whom the rights have been validly transferred, the relevant provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled and such Rights Shares will be available for application under the EAFs by the Qualifying Shareholders.

If the Qualifying Shareholders wish to accept only part of their provisional allotment and/or to transfer part of their rights to subscribe for the Rights Shares provisionally allotted to them under the PAL or to transfer their rights to more than one person, the original PAL must be surrendered and lodged for cancellation by no later than 4:30 p.m. on Tuesday, 28 December 2010, to the Registrar who will cancel the original PAL and issue new PALs in the denominations required, which will be available for collection at the Registrar after 9:00 a.m. on the second Business Day after the surrender of the original PAL.

The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders. All cheques and cashier's orders accompanying completed PALs will be presented for payment immediately upon receipt and all interest earned on such monies will be retained for the benefit of the Company. Completion and return of the PAL will constitute a warranty and representation to the Company that all registration, legal and regulatory requirements of all relevant jurisdictions in connection with the PAL and any acceptance of it have been, or will be, duly complied with. Completion and return of the PAL with a cheque or a cashier's order, whether by a Qualifying Shareholder or by any nominated transferee, will constitute a warranty by the applicant that the cheque or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the accompanying cheque and/or cashier's order is dishonoured on first presentation, and, in such event, the relevant provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled.

Save as described under the paragraph headed "Rights of Overseas Shareholders" above, no action has been taken to permit the offering of the Rights Shares or the distribution of the Prospectus Documents in any territory other than Hong Kong. Accordingly, no person receiving this prospectus, the PAL or the EAF in any territory outside Hong Kong may treat it as an offer or invitation to apply for the Rights Shares or excess Rights Shares, unless in a territory where such an offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements thereof. The Company reserves the right to refuse to accept any application for the Rights Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any jurisdiction. No application for Rights Shares will be accepted from any person who is a Excluded Overseas Shareholder.

If the Underwriters exercise the rights to terminate the Underwriting Agreement or if the conditions of the Rights Issue are not fulfilled or waived (as applicable), the monies received in respect of acceptances of the Rights Shares will be returned to the Qualifying Shareholders or such other persons who have accepted or acquired the Rights Shares and to whom the nil-paid Rights Shares shall have been validly transferred, without interest by means of cheques despatched by ordinary post to their respective registered addresses at their own risk as soon as practicable thereafter.

LETTER FROM THE BOARD

Application for excess Rights Shares

Qualifying Shareholders may apply by using EAFs for excess Rights Shares for any unsold entitlement of the Excluded Overseas Shareholders together with any unsold Rights Shares created by adding together fractions of the Rights Shares and any Rights Shares provisionally allotted but not taken up by the Qualifying Shareholders or otherwise subscribed for by transferees of nil-paid Rights Shares.

Application may be made by completing and signing the EAF and lodging the same with a separate remittance for the excess Rights Shares being applied for with the Registrar **by no later than 4:00 p.m. on Wednesday, 5 January 2011. All remittances must be made in Hong Kong dollars. Cheques must be drawn on an account with, and cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "21 HOLDINGS LIMITED — EXCESS APPLICATION ACCOUNT" and crossed "ACCOUNT PAYEE ONLY".**

The Company will allocate excess Rights Shares to the Qualifying Shareholders at its discretion on a fair and equitable basis, with preference given to topping-up odd lots to whole board lots and thereafter on sliding scale with reference to the number of the excess Rights Shares applied by them (i.e. the Qualifying Shareholders applying for smaller number of Rights Shares are allocated with a higher percentage of successful application but will receive less number of Rights Shares; whereas the Qualifying Shareholders applying for larger number of Rights Shares are allocated with a smaller percentage of successful application but will receive greater number of Rights Shares) and with board lot allocations to be made on a best effort basis.

The Qualifying Shareholders whose Shares are held by a nominee company should note that for the purposes of the principles above, the Board will regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, Qualifying Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners individually. The Qualifying Shareholder(s) will be notified of any allotment of excess Rights Shares made to him/ her/it/them on or about Wednesday, 12 January 2011 by way of announcement. If no excess Rights Shares are allotted to the Qualifying Shareholder who has applied for excess Rights Shares, it is expected that a cheque for the amount tendered on application in full without interest will be posted to his/her/its registered address by ordinary post at his/her/its own risk on or before Thursday, 13 January 2011. If the number of excess Rights Shares allotted to the Qualifying Shareholder is less than that applied for, it is expected that a cheque for the amount of the surplus application monies, without interest, will be posted to his/her/its registered address by ordinary post at his/her/its own risk on or before Thursday, 13 January 2011.

All cheques and cashier's orders will be presented for payment immediately following receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of the EAF will constitute a warranty and representation to the Company that all registration, legal and regulatory requirements of all relevant jurisdictions in connection with the EAF and any acceptance of it, have been, or will be, duly complied with. Completion and return of the EAF together with a cheque or cashier's order in payment for the excess Rights Shares applied for will constitute a warranty by the applicant that the cheque or the cashier's order will be honoured on first presentation. If any cheque or cashier's order accompanying a completed EAF is dishonoured on first presentation, without prejudice to the other rights of the Company, such EAF is liable to be rejected.

LETTER FROM THE BOARD

The EAF is for use only by the person(s) to whom it is addressed and is not transferable. All documents, including cheques or cashier's orders for the amounts due, will be despatched by ordinary post at the risk of the persons entitled thereto to their respective registered addresses as shown in the register of members of the Company on the Record Date.

If the Underwriters exercise the right to terminate the Underwriting Agreement or if the conditions of the Rights Issue are not fulfilled or waived (as applicable), the monies received in respect of applications for excess Rights Shares will be returned to the applicants, without interest by means of cheques despatched by ordinary post to their respective registered addresses at their own risk as soon as practicable thereafter.

Share certificates for the Rights Shares and refund cheques

Subject to the fulfillment of the conditions of the Rights Issue, share certificates for all Rights Shares are expected to be posted to the Qualifying Shareholders who have accepted and applied for (where appropriate), and paid for the Rights Shares on or before Thursday, 13 January 2011 by ordinary post at their own risk. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are also expected to be posted on Thursday, 13 January 2011 by ordinary post to the applicants at their own risk.

The first day of dealings in the Rights Shares in their fully-paid form is expected to commence on Monday, 17 January 2011.

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 Rights Shares in both nil-paid and fully-paid forms to be allotted and issued pursuant to the Rights Issue. 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.

Subject to the granting of the listing of, and permission to deal in, Rights Shares in both nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, Rights Shares in both nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in Rights Shares in both nil-paid and fully-paid forms on the Stock Exchange or 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 CCASS Operational Procedures in effect from time to time.

Dealings in the Rights Shares in both nil-paid and fully-paid forms which are registered in the branch register of members of the Company in Hong Kong will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

LETTER FROM THE BOARD

Undertaking by Mr. Ng

As at the Latest Practicable Date, Mr. Ng is holding the Convertible Note with the outstanding principal amount of HK\$70,000,000 convertible into 8,373,205 Shares at the conversion price of HK\$8.36 per Share (subject to adjustments).

Mr. Ng has given an Irrevocable Undertaking, inter alia, not to transfer or deal with the Convertible Note and not to exercise the conversion rights attaching to the Convertible Note until the close of business on the Record Date pursuant to and subject to the terms of the Irrevocable Undertaking.

UNDERWRITING AGREEMENT

Date : 14 September 2010

Underwriters : Get Nice and Emperor

To the best knowledge, information and belief of the Directors, the Underwriters are Independent Third Parties. The Underwriters do not have any beneficial interests in the Shares.

Number of Rights Shares underwritten : The Underwriters have agreed to underwrite the Rights Shares not subscribed by the Shareholders on a fully underwritten basis, being 1,126,955,740 Rights Shares, pursuant to the Underwriting Agreement as follows:

(i) Get Nice shall underwrite up to 600,000,000 Rights Shares and (ii) Emperor shall underwrite the remaining number of the Rights Shares

Commission : (i) for Get Nice, 2.25% of the aggregate Subscription Price of the number of Rights Shares underwritten by Get Nice; and
(ii) for Emperor, 2% of the aggregate Subscription Price of the number of Rights Shares underwritten by Emperor

The Rights Issue is fully underwritten. The Board is of the opinion that the terms of the Underwriting Agreement and the amount of commission payable to the Underwriters are fair as compared to the market practice and commercially reasonable.

LETTER FROM THE BOARD

Termination of the Underwriting Agreement

The Underwriters may terminate the arrangements set out in the Underwriting Agreement by notice in writing issued to the Company at any time prior to the Latest Time for Termination if:

- (a) in the absolute opinion of the Underwriters, the success of the Rights Issue would be materially and adversely affected by:
 - (i) the introduction of any new 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 Underwriters materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
 - (ii) 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, financial, economic currency, market 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 Underwriters materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
 - (iii) any material adverse change in the business or in the financial or trading position or prospectus of the Group as a whole; or
 - (iv) 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 Underwriters materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
 - (v) there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in the Pre-Adjusted Shares or Shares (as the case may be) generally on the Stock Exchange due to exceptional financial circumstances or otherwise; or
 - (vi) the commencement by any third party of any litigation or claim against any member of the Group which is or might be material to the Group taken as a whole; or
- (b) any material adverse change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or restriction of trading in securities, imposition of economic sanctions, on Hong Kong, the PRC or other jurisdiction relevant to the Group or any member of the Group and a change in currency conditions includes a change in the system under which the value of the Hong Kong currency is pegged with that of the currency of the United States of America) occurs which in the absolute opinion of the Underwriters makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (c) the circular of the Company or this prospectus when published contain 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 of the Underwriting Agreement been publicly announced or published by the Company and which in the absolute

LETTER FROM THE BOARD

opinion of the Underwriters is material to the Group as a whole and is likely to affect materially and adversely the success of the Rights Issue or might cause a prudent investor not to accept the Rights Shares provisionally allotted to it.

If, at or prior to the Latest Time for Termination, there occurs:

- (i) any material breach of any of the warranties or undertakings of the Company under the Underwriting Agreement comes to the knowledge of the Underwriters; or
- (ii) any Specified Event comes to the knowledge of the Underwriters,

the Underwriters shall also be entitled by notice in writing to the Company prior to the Latest Time for Termination to terminate the Underwriting Agreement and the obligations of all parties under the Underwriting Agreement shall terminate forthwith.

Conditions of the Rights Issue

The Rights Issue is conditional upon, among other things, the following conditions being fulfilled or waived:

- (a) the Company despatching the circular to the Shareholders containing, among other matters, details of the Rights Issue together with proxy form and notice of SGM;
- (b) the Capital Reorganisation becoming effective;
- (c) the Listing Committee of the Stock Exchange granting or agreeing to grant and not having withdrawn or revoked listing of and permission to deal in the Shares;
- (d) the passing by the Shareholders (or, where appropriate, Independent Shareholders) at the SGM of ordinary resolutions to approve the Underwriting Agreement and the Rights Issue (including, but not limited to, the exclusion of the offer of the Rights Issue to the Excluded Overseas Shareholders) and the transactions contemplated thereby by no later than the Posting Date;
- (e) 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 all the Rights Shares (in their nil-paid and fully-paid forms) by no later than the Posting Date;
- (f) the Bermuda Monetary Authority granting consent to (if required) the issue of the Rights Shares by no later than the Posting Date;
- (g) compliance with and performance of all the undertakings and obligations of the Company under the terms of the Underwriting Agreement;
- (h) the filing and registration of all relevant documents with the Registrar of Companies in Hong Kong; and
- (i) there being no breach of the Irrevocable Undertakings by Mr. Ng.

LETTER FROM THE BOARD

Neither the Underwriters nor the Company may waive any of the conditions (a) to (f) (both inclusive), (h) and (i). The Underwriters may waive the condition (g) in whole or in part by written notice to the Company. If the conditions are not satisfied and/or waived in whole or in part by the Underwriters by 4:00 p.m. on or before the date falling on the expiry of 6 months from the date of Underwriting Agreement (or such other date as the Underwriters may agree with the Company in writing), the Underwriting Agreement shall terminate and no party will have any claim against any other party for costs, damages, compensation or otherwise.

As at the Latest Practicable Date, (i) conditions (a), (b) and (d) have been fulfilled; and (ii) the Listing Committee of the Stock Exchange has granted and has not withdrawn or revoked listing of and permission to deal in the Shares.

WARNING OF THE RISKS OF DEALING IN SHARES AND RIGHTS SHARES

It should be noted that dealings in the Rights Shares in the nil-paid form will take place from Wednesday, 22 December 2010 to Friday, 31 December 2010 (both dates inclusive). If the conditions of the Rights Issue are not fulfilled or waived (as applicable) or the Underwriting Agreement is terminated by the Underwriters, the Rights Issue will not proceed.

Any Shareholders or other persons contemplating selling or purchasing Rights Shares in their nil-paid form during the period from Wednesday, 22 December 2010 to Friday, 31 December 2010 (both dates inclusive) who are in any doubt about their position are recommended to consult their professional advisers. Any Shareholders or other persons dealing in Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled and/or the Latest Time for Termination (which is expected to be Monday, 10 January 2011) and any persons dealing in the nil-paid Rights Shares during the above period will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Company is an investment holding company and its subsidiaries are principally engaged in provision of property agency and related services, trading of toy, gift and premium products and securities trading and investments.

The Board considers that the Rights Issue will provide funding for the Acquisition which will enable the Group to grow its business and to strengthen strategic business portfolio upon Completion. The Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company, hence the Board considers that fund raising through the Rights Issue is in the interests of the Company and the Shareholders as a whole.

The Directors (including the independent non-executive Directors) consider that the terms of the Rights Issue are fair and reasonable.

The gross proceeds from the Rights Issue will be approximately HK\$214.12 million. The estimated net proceeds from the Rights Issue will be approximately HK\$208.6 million after deducting all necessary expenses for the Rights Issue, which include the commission to the Underwriters, the fees to the Company's professional and legal advisers and printing and translation costs. The net proceeds of the Rights Issue is intended to be applied as to (i) approximately HK\$180.0 million for payment of the consideration for the Acquisition; and (ii) the remaining balance of approximately HK\$28.6 million for the settlement amount of the Repurchase Offer. In the event that the Acquisition and/or the Repurchase Offer does not proceed after completion of the Rights Issue, the relevant proceeds will be used as general working capital and further business development.

LETTER FROM THE BOARD

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming that there is no change in the shareholding structure of the Company from the Latest Practicable Date to immediately before completion of the Rights Issue, set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date, (ii) immediately after the completion of the Rights Issue (assuming all Rights Shares are subscribed by the Qualifying Shareholders), and (iii) immediately after the completion of the Rights Issue (assuming none of Rights Shares are subscribed by the Qualifying Shareholders).

	As at the Latest Practicable Date		Immediately after the completion of the Rights Issue (assuming all Rights Shares are subscribed by the Qualifying Shareholders)		Immediately after the completion of the Rights Issue (assuming none of Rights Shares are subscribed by the Qualifying Shareholders) (note 1)	
	<i>No. of Shares</i>		<i>No. of Shares</i>		<i>No. of Shares</i>	
		<i>%</i>		<i>%</i>		<i>%</i>
Underwriters						
Get Nice	—	—	—	—	600,000,000	48.40
Emperor	—	—	—	—	526,955,740	42.51
Public Shareholders	<u>112,695,574</u>	<u>100.00</u>	<u>1,239,651,314</u>	<u>100.00</u>	<u>112,695,574</u>	<u>9.09</u>
Total	<u><u>112,695,574</u></u>	<u><u>100.00</u></u>	<u><u>1,239,651,314</u></u>	<u><u>100.00</u></u>	<u><u>1,239,651,314</u></u>	<u><u>100.00</u></u>

Notes:

1. The assumption that no Rights Shares are subscribed by the Qualifying Shareholders is for illustrative purpose only. Under the terms of the Underwriting Agreement, each of the Underwriters have undertaken to take all such steps as appropriate, including sub-underwriting its underwriting obligations under the Underwriting Agreement and/or placing down Rights Shares acquired by it, to avoid it together with parties acting in concert (as defined in the Takeovers Code) with it holding more than 29.9% or more of the issued share capital of the Company immediately after completion of the Rights Issue and such that the Company can comply with its obligations under the Listing Rules to maintain the public float of the Company. Each of the Underwriters (and their respective ultimate beneficial owners) is not a party acting in concert with each other. Each of the Underwriters and their respective ultimate beneficial owners are not connected persons of the Company.
2. The underwriters have confirmed to the Company that they have sub-underwritten their underwriting obligations under the Underwriting Agreement to sub-underwriters to ensure that the public float requirement under Rule 8.08 of the Listing Rules will be complied with upon completion of the Rights Issue.
3. The Company has always complied with and will continue to comply with the public float requirement under Rule 8.08 of the Listing Rules upon completion of the Rights Issue.

LETTER FROM THE BOARD

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Date of announcement	Capital raising activity	Net proceeds raised (approximately)	Proposed use of the net proceeds	Actual use of the net proceeds
4 January 2010	Placing of 72,000,000 new Shares	HK\$10.6 million	To be used for general working capital	HK\$10.6 million was used as general working capital
26 April 2010	Placing of 375,000,000 new Shares	HK\$48.8 million	To be used for general working capital and further business development (including property investment)	Approximately HK\$35.5 million was used as general working capital and the balance of approximately HK\$13.3 million remained unused and placed in bank accounts

Save as disclosed above, the Company had not carried out any equity fund raising exercise in the 12-month period immediately preceding the Latest Practicable Date.

TAXATION

Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the tax implications of the subscription for, holding or disposal of, or dealing in the Rights Shares in both their nil-paid and fully-paid forms, and as regards the Excluded Overseas Shareholders, their receipt of the net proceeds of sale of the Rights Shares otherwise falling to be issued to them under the Rights Issue. It is emphasised that none of the Company, its Directors or any other parties involved in the Rights Issue accepts responsibility for any tax effects on, or liabilities of, holders of the Rights Shares resulting from the subscription for, holding or disposal of, or dealing in the Rights Shares or the exercise of any rights attaching thereto or otherwise in both their nil-paid and fully-paid forms.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in Appendices to this prospectus.

Yours faithfully,
On behalf of the Board
21 Holdings Limited
Ng Kai Man
Chairman

A. THREE-YEAR FINANCIAL INFORMATION

Financial information with respect to the profits and losses, financial record and position, set out as a comparative table and the latest published audited balance sheets together with the notes on the annual accounts of the Group for each of the three years ended 31 December 2007, 2008 and 2009 and half year ended 30 June 2010 are disclosed in pages 27 to 111 of annual report 2007, pages 30 to 119 of annual report 2008, pages 29 to 113 of annual report 2009 and pages 1 to 17 of interim report 2010 of the Company respectively, which are published on both the website of the Stock Exchange (www.hkex.com.hk) and the website of the Company (www.irasia.com/listco/hk/21holdings).

Subsequent acquisition

Subsequent to the year ended 31 December 2009 (being the date of the latest published audited accounts of the Company), on 14 September 2010, the Purchaser (a wholly-owned subsidiary of the Company) entered into the SPA with the Vendor, pursuant to which the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the entire issued share capital of and shareholder's loan due by the Target Company. The Target Group is principally engaged in provision of services including primary real estate agency and related consultancy services to real estate developers in the PRC on their first-hand residential, retail and commercial real estate projects. As at the latest practicable date of the Circular, the Target Group had entered into 12 business agreements with different real estate developers under which members of the Target Group has been appointed to provide services as consultant and/or sales and leasing agent for various first-hand real estate development projects in the PRC. The total consideration for the Acquisition is HK\$180,000,000 and will be satisfied by the net proceeds from the Rights Issue.

There will be no material variation in the aggregate of the remuneration payable to and benefits in kind receivable by the directors of the Target Group in consequence of the Acquisition.

B. INDEBTEDNESS

At the close of business on 31 October 2010, being the latest practicable date for the purpose of preparing this statement of indebtedness prior to the printing of this prospectus, the indebtedness of the Enlarged Group was as follows:

(i) Convertible note

The Convertible Note with an outstanding principal amount of HK\$70.0 million which is unsecured, bears interest at the rate of 2% per annum and will mature on 23 July 2011. The carrying amount of the liability component of the Convertible Note as at 31 October 2010 was approximately HK\$68.0 million; and

(ii) Amount due to a minority shareholder

An amount due to a minority shareholder of a subsidiary of approximately HK\$9.6 million, which is unsecured, interest-free and repayable on demand.

Save as aforesaid, and apart from intra-group liabilities and normal trade payables, the Enlarged Group did not have any outstanding bank overdrafts, loans, debt securities, borrowings or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, finance lease, hire purchases commitments, which are either guaranteed, unguaranteed, secured or unsecured, guarantees or other material contingent liabilities at the close of business on 31 October 2010.

To the best knowledge of the Directors, having made all reasonable enquiries, there has been no material change in indebtedness or contingent liabilities of the Enlarged Group since 31 October 2010 and up to the Latest Practicable Date.

C. WORKING CAPITAL

The Directors are of the opinion that, after taking into account the present financial resources, the borrowings, the estimated net proceeds from the Rights Issue, the estimated net cash outflow arising on the Acquisition and Repurchase Offer, in the absence of unforeseen circumstances, the Enlarged Group has sufficient working capital for at least the next twelve months from the date of publication of this prospectus.

D. 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 2009, being the date to which the latest published audited consolidated financial statements of the Company were made up.

E. FINANCIAL AND TRADING PROSPECTS OF THE ENLARGED GROUP

Trading prospect

The management is in the view that the favourable factors, including low interest rates, abundant capital resources and positive buying sentiment, will continue support the prosperity of the property market in the second half of 2010. The management is confident that the property agency segment in Hong Kong will have stable performance this year. The management also envisages that the performance of toy trading segment will be moderately improved though remains difficult.

Upon Completion, the Group will further penetrate into the real estate agency business in the PRC and the income source of the Group will be expanded. Other than the successful delivery and meeting of the sales target of the real estate projects under the business agreements related to the Acquisition, the Target Group aims to secure more business agreements for other real estate projects by leveraging on its experience for servicing both real estate developers and buyers in various real estate projects and its well established business network with real estate developers in the PRC.

Further, the Target Group will also market its wide range of services in the areas of sales and marketing and information enquiry to other real estate developers in the PRC. With the combined expertise and experience from the management teams of the Enlarged Group and the ability to provide comprehensive services, the Enlarged Group is well-positioned to provide a similar range of services to real estate developers in the PRC as the Target Group expands and commences the negotiation of new real estate agency service projects in Guangzhou and other cities, including Beijing, Shanghai, Shanxi and inner Mongolia of the PRC. The Group will allocate the existing staff of China division of the Group cooperating with the management of the Target Group to develop the real estate agency services in the PRC.

The Company intends to continue its current business after the Acquisition and, with the synergy effect on its brand name, business network and resources from the Enlarged Group, the Directors are optimistic of the future prospect of the Group and are of the view that the Acquisition is beneficial to the Company and the Shareholders as a whole. As at the Latest Practicable Date, the Board has not entered into any agreement, arrangement, understanding, intention or negotiation (concluded or otherwise) about any disposal, termination or scaling-down of its existing business.

Liquidity and Financial Resources

The Group maintained sufficient working capital as at 30 June 2010 with bank balances and cash of HK\$50.3 million.

The Group has no bank borrowings as at 30 June 2010. However, the Convertible Note with outstanding principal amount of HK\$70.0 million as at the Latest Practicable Date convertible into 8,373,205 Shares at the conversion price of HK\$8.36 per Share (subject to adjustments), bears interest of 2% per annum, matures on 23 July 2011 and carries rights to convert the outstanding principal amount into shares of the Company.

Gearing ratio, expressed as the percentage of total borrowings over total capital, of the Group as at 30 June 2010 was 29.6% (31 December 2009: 33.7%). Total capital is calculated as total equity plus total borrowings. The improvement in the gearing ratio is caused by the issue of new shares through placings during the 6 months ended 30 June 2010.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP

The following is the unaudited pro forma statement of adjusted consolidated net tangible assets (the “Unaudited Pro Forma Financial Information”) of the Group which has been prepared in accordance with paragraph 4.29 of the Listing Rules to illustrate the effects of the Rights Issue on the net tangible assets of the Group as if the Rights Issue had been completed on 30 June 2010.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only, based on the judgments and assumptions of the Directors, and because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of: (i) the financial position of the Group as at 30 June 2010 or any future date; or (ii) the consolidated net tangible assets per share of the Group as at 30 June 2010 or any future date.

		<i>HK\$'000</i>
Unaudited consolidated net assets of the Group as at 30 June 2010	<i>Note 1</i>	296,349
Less: Intangible assets (goodwill) of the Group as at 30 June 2010	<i>Note 1</i>	<u>(256,000)</u>
Unaudited adjusted consolidated net tangible assets of the Group as at 30 June 2010 (before completion of the Rights Issue)		40,349
Add: Estimated net proceeds from the Rights Issue	<i>Note 2</i>	<u>208,600</u>
Unaudited pro forma adjusted consolidated net tangible assets of the Group after completion of the Rights Issue		<u><u>248,949</u></u>
Unaudited adjusted consolidated net tangible assets per Share based on 112,695,574 Shares before completion of the Rights Issue		<u><u>HK\$0.358</u></u>
Unaudited pro forma adjusted consolidated net tangible assets per Share based on the enlarged issued share capital of 1,239,651,314 Shares immediately after completion of the Rights Issue	<i>Note 3</i>	<u><u>HK\$0.201</u></u>

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION

Notes:

1. The figures have been extracted from the unaudited condensed consolidated statement of financial position of the Group as at 30 June 2010 as extracted from the published interim report of the Company for the six months ended 30 June 2010.
2. The estimated net proceeds from the Rights Issue of approximately HK\$208,600,000 are based on the proceeds of approximately HK\$214,120,000 from the issue of 1,126,955,740 Rights Shares at the Subscription Price of HK\$0.19 per Rights Share on the basis of ten Rights Shares for every one Share held on the Record Date and payable in full on acceptance, less estimated expenses for the Rights Issue of approximately HK\$5,520,000.
3. Based on the enlarged issued share capital of 1,239,651,314 Shares after completion of the Rights Issue (comprising (i) 112,695,574 Shares in issue as at the Latest Practicable Date and (ii) 1,126,955,740 Rights Shares to be issued by way of the Rights Issue).
4. Other than those pro forma adjustments relating to the Rights Issue, the Unaudited Pro Forma Financial Information does not take account of any trading or other transactions subsequent to the date of the financial statements included in the Unaudited Pro Forma Financial Information.

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

The following is the text of a report, prepared for the sole purpose of inclusion in this prospectus, received from the reporting accountants of the Company, HLB Hodgson Impey Cheng, Chartered Accountants, Certified Public Accountants, Hong Kong.



Chartered Accountants
Certified Public Accountants

31/F, Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

20 December 2010

The Board of Directors
21 Holdings Limited
10th Floor, 88 Gloucester Road
Wanchai
Hong Kong

Dear Sirs,

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

We report on the unaudited pro forma statement of adjusted consolidated net tangible assets (the "Unaudited Pro Forma Financial Information") of 21 Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group"), which has been prepared by the directors of the Company for illustrative purposes only, to provide information about how the Rights Issue (as defined in the Prospectus) might have affected the financial information presented, for inclusion in the Company's prospectus dated 20 December 2010 (the "Prospectus"). The basis of preparation of the Unaudited Pro Forma Financial Information is set out in Section A of Appendix II to the Prospectus.

Respective responsibilities of the directors of the Company and reporting accountants

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

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION

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

Basis of opinion

We conducted our engagement in accordance with Hong Kong Standard on Investment Circulars Reporting Engagements (HKSIR) 300 “Accountants’ Reports on Pro Forma Financial Information in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants. Our work consisted primarily of comparing the unadjusted financial information with source documents, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Financial Information with the directors of the Company. This engagement did not involve independent examination of any of the underlying financial information.

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

The Unaudited Pro Forma Financial Information is for illustrative purposes only, based on the judgments and assumptions of the directors of the Company, and because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of: (i) the financial position of the Group as at 30 June 2010 or any future date; or (ii) the consolidated net tangible assets per share of the Group as at 30 June 2010 or any future date.

Opinion

In our opinion:

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

Yours faithfully,
HLB Hodgson Impey Cheng
Chartered Accountants
Certified Public Accountants
Hong Kong

1. RESPONSIBILITY STATEMENT

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

2. SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date and upon completion of the Rights Issue were as follows:

<i>Authorised:</i>		<i>HK\$</i>
<u>50,000,000,000</u>	Shares of HK\$0.01 each	<u>500,000,000.00</u>
<i>Issued and to be issued:</i>		
112,695,574	Shares in issue as at the Latest Practicable Date	1,126,955.74
1,126,955,740	Rights Shares to be allotted and issued under the Rights Issue	11,269,557.40
<u>1,239,651,314</u>	Shares in issue upon completion of the Rights Issue	<u>12,396,513.14</u>

All the Rights Shares to be issued will, when issued and fully paid, rank pari passu with the Shares to be issued in all respects. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid after the date of allotment and issue of the fully-paid Rights Shares. The Rights Shares to be issued will be listed on the Stock Exchange.

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

As at the Latest Practicable Date, Mr. Ng is holding the Convertible Note with an outstanding principal amount of HK\$70,000,000 convertible into 8,373,205 Shares at the conversion price of HK\$8.36 per Share (subject to adjustments).

Save for the above outstanding Convertible Note, the Company had no other outstanding convertible securities, options or warrants in issue or other similar rights which confer any right to convert or exchange into or subscribe for the Shares as at the Latest Practicable Date.

Dealings in the Shares may be settled through CCASS and you should consult your stockbroker or other registered dealer of securities, bank manager, solicitors, professional accountant or other professional adviser for details of these settlement arrangements and how such arrangements may affect your rights and interest.

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

3. DISCLOSURE OF INTERESTS BY DIRECTORS

As at the Latest Practicable Date, the interests and short positions of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to the Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Long position in the underlying Shares:

Name of Director	Capacity	Number of underlying Shares	Approximate percentage of shareholding
Mr. Ng	Beneficial owner	8,373,205 (Note 1)	7.43% (Note 2)

Notes:

1. Mr. Ng held the Convertible Note with an outstanding principal amount of HK\$70,000,000 convertible into 8,373,205 Shares at the conversion price of HK\$8.36 per Share (subject to adjustments).
2. The percentage of shareholding in the Company is calculated with reference to the number of Shares in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to the Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

4. INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as was known to any Director or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions Divisions 2 and 3 of Part XV of the SFO, or, who was, 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 member of the Group.

(i) Long position in the Shares:

Name	Capacity	Number of Shares	Approximate percentage of shareholding
Get Nice	Beneficial owner	600,000,000 (Note 1)	48.40% (Note 3)
Get Nice Incorporated	Interest of controlled corporations	600,000,000 (Note 1)	48.40% (Note 3)
Get Nice Holdings Limited	Interest of controlled corporations	600,000,000 (Note 1)	48.40% (Note 3)
Emperor	Beneficial owner	526,955,740 (Note 2)	42.51% (Note 3)
Emperor Capital Group Limited	Interest of controlled corporations	526,955,740 (Note 2)	42.51% (Note 3)
Win Move Group Limited	Interest of controlled corporations	526,955,740 (Note 2)	42.51% (Note 3)
Million Way Holdings Limited	Interest of controlled corporations	526,955,740 (Note 2)	42.51% (Note 3)
STC International Limited	Trustee	526,955,740 (Note 2)	42.51% (Note 3)
Dr. Yeung Sau Shing, Albert	Founder of a trust	526,955,740 (Note 2)	42.51% (Note 3)
Ms. Luk Siu Man, Semon	Interest of spouse	526,955,740 (Note 2)	42.51% (Note 3)
Sanfull Securities Limited	Beneficial owner	157,900,000 (Note 4)	12.74% (Note 3)
Mr. Kwong Chi Fai, Gorman	Beneficial owner	157,900,000 (Note 4)	12.74% (Note 3)

Notes:

1. These are the Rights Shares which Get Nice has underwritten pursuant the Underwriting Agreement. Get Nice is wholly-owned by Get Nice Incorporated which in turn is wholly-owned by Get Nice Holdings Limited.
2. These are the Rights Shares which Emperor has underwritten pursuant the Underwriting Agreement. Emperor is an indirect wholly-owned subsidiary of Emperor Capital Group Limited, the shares of which are listed on the Stock Exchange. 47.90% of the shares of Emperor Capital Group Limited are held by Win Move Group Limited. The entire issued share capital of Win Move Group Limited is held by Million Way Holdings Limited, which in turn is held by STC International Limited on trust for The Albert Yeung Discretionary Trust (“AY Trust”). Dr. Yeung Sau Shing, Albert, as founder of the AY Trust, and Ms. Luk Siu Man, Semon, as the spouse of Dr. Yeung Sau Shing, Albert, are deemed to be interested in the 526,955,740 Rights Shares by virtue of the underwriting commitment of Emperor.
3. The percentage of shareholding in the Company is calculated with reference to the number of Shares to be in issue immediately after completion of the Rights Issue.
4. These are the Rights Shares under sub-underwriting.

(ii) Interest in other members of the Group

Name of non-wholly owned subsidiary of the Company	Name of registered substantial shareholders (other than members of the Group)	Number of shares held	Approximate percentage of shareholding
Yanyan Force Limited	Ng Kai Lok, Paul	40 ordinary shares of HK\$1 each	40%

Save as disclosed above, as at the Latest Practicable Date, so far as was known to any Director or chief executive of the Company, no person had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, 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 member of the Group or had any options in respect of such capital.

5. DIRECTORS' INTERESTS IN ASSETS/CONTRACTS AND OTHER INTERESTS

- (i) As at the Latest Practicable Date, none of the Directors had, or had had any direct or indirect interest in any assets which have been acquired, disposed of or leased to or which are proposed to be acquired, disposed of or leased to any member of the Enlarged Group since 31 December 2009, the date to which the latest published audited financial statements of the Group were made up.
- (ii) There is no contract or arrangement entered into by any member of the Enlarged Group, subsisting as at the Latest Practicable Date in which any of the Directors is materially interested and which is significant in relation to the business of the Enlarged Group as a whole.

6. EXPERT

The following is the qualifications of the expert who has given opinions or advice, which are contained in this prospectus:

Name	Qualification
HLB Hodgson Impey Cheng	Certified Public Accountants

As at the Latest Practicable Date, the above expert did not have direct or indirect shareholdings in any member of the Enlarged Group, or any right to subscribe for or to nominate persons to subscribe for securities in any member of the Enlarged Group, or any interests, directly or indirectly, in any assets which have been acquired, disposed of or leased to or which are proposed to be acquired, disposed of or leased to any member of the Enlarged Group, respectively, since 31 December 2009, the date to which the latest published audited financial statements of the Group were made up.

The above expert has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion therein of its reports or opinions and references to its name in the form and context in which they appear.

7. SERVICE CONTRACTS

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

8. LITIGATION

On 8 October 2004, Mr. Kwok Chin Wing (“Kwok”), a former director of the Company, commenced legal proceedings (the “Action”) against the Company in respect of the loans due from two former subsidiaries of the Company, namely, Rockapetta Industrial Company Limited and Grand Extend Investment Limited, for a sum of approximately HK\$44.5 million together with accrued interests thereof.

In July 2006 Kwok made substantial amendments to his Re-Re-Amended Statement of Claim and joined Mr. Chan Sheung Wai, another former director of the Company, as second Defendant in the Action. Pleadings, discovery, inspection of documentary evidence and exchange of witness statements between the parties have been completed. In December 2009 Kwok set down the Action for trial and the High Court directed that the Action be tried on 3 January 2011 (hearing dates of 3 to 28 January 2011 are reserved). A pre-trial review has been held on 5 November 2010.

Both Counsel and the Solicitors acting for the Company have reviewed all pleadings, documentary evidence and witness statement and hold good of their advice that Kwok does not have a valid claim against the Company at all and the Company has good defence to the Action. With the benefit of the advice of Solicitors and Counsel acting for the Company, the directors of the Company formed the opinion that Kwok does not have a valid claim against the Company and therefore the Action is unlikely to have any material adverse financial impact on the Group.

Save as disclosed above, as at the Latest Practicable Date, so far as the Directors are aware, no member of the Enlarged Group was engaged in any litigation, arbitration or claim of material importance and there was no litigation, arbitration or claim of material importance known to the Directors to be pending or threatened against any member of the Enlarged Group.

9. MATERIAL CONTRACTS

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

1. the conditional investment collaboration agreement dated 24 July 2009 entered into between Century Profit Investments Limited (“Century Profit”), a wholly-owned subsidiary of the Company, and Champion Wind Energy Investment and Management Limited (“Champion”) in relation to the establishment of a joint venture company for running renewable energy business in the PRC (the “Investment Collaboration Agreement”);
2. the termination agreement dated 8 September 2009 entered into between Century Profit and Champion to terminate the Investment Collaboration Agreement;
3. the conditional share placing agreement dated 21 September 2009 entered into between the Company and Emperor as the placing agent in respect of the placing of up to 43,500,000 Shares at a price of HK\$0.42 per Share;
4. the underwriting agreement dated 9 October 2009 entered into between the Company, Get Nice and Emperor as the Underwriters in respect of proposed rights issue of 1,445,529,192 Shares at HK\$0.10 each;
5. the provisional sale and purchase agreement dated 15 December 2009 entered into between Kennex Investments Limited, a wholly owned subsidiary of the Company, as the vendor and China All Access Group Limited as the purchaser and a property agency in respect of the disposal of a property in Hong Kong at a consideration of HK\$18,200,000;
6. the conditional share placing agreement dated 4 January 2010 entered into between the Company and Emperor as the placing agent in respect of the placing of up to 72,000,000 Shares at a price of HK\$0.15 per Share;
7. the conditional share placing agreement dated 26 April 2010 entered into between the Company and Emperor as the placing agent in respect of the placing of up to 375,000,000 Shares at a price of HK\$0.133 per Share;
8. the repurchase offer dated 29 June 2010 to independent third parties in respect of the repurchase of part of the outstanding convertible notes issued by the Company on 23 July 2008 in the principal amount of HK\$60,000,000 at a discount of 5%;
9. the Underwriting Agreement;
10. the SPA; and
11. the Repurchase Agreement.

10. CORPORATION INFORMATION

Registered office	Canon's Court 22 Victoria Street Hamilton HM 12 Bermuda
Head office and principal place of business in Hong Kong	10th Floor 88 Gloucester Road Wanchai, Hong Kong
Principal Share Registrar	Butterfield Fulcrum Group (Bermuda) Limited Rosebank Centre 11 Bermudiana Road Pembroke, Bermuda
Hong Kong Branch Share Registrar	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17th Floor Hopewell Centre 183 Queen's Road East Wanchai, Hong Kong
Authorised representatives	Mr. Ng Kai Man and Ms. Chiu Lo 10th Floor 88 Gloucester Road Wanchai Hong Kong
Company secretary	Ms. Chiu Lo 10th Floor 88 Gloucester Road Wanchai Hong Kong
Legal advisers to the Company	<i>As to Hong Kong law</i> Vincent T.K. Cheung, Yap & Co. Solicitors & Notaries 11th Floor, Central Building 1-3 Pedder Street Central Hong Kong <i>As to Bermuda law</i> Appleby 2206-19 Jardine House 1 Connaught Place Central Hong Kong

Auditors	Grant Thornton <i>Certified Public Accountants</i> 6th Floor Nexus Building 41 Connaught Road Central Central Hong Kong
Principal bankers	The Hong Kong and Shanghai Banking Corporation Limited 1 Queen's Road Central Central Hong Kong
Financial adviser to the Company	Emperor Capital Limited 28th Floor, Emperor Group Centre 288 Hennessy Road, Wanchai Hong Kong
Underwriters	Get Nice Securities Limited 10th Floor, Cosco Tower Grand Millennium Plaza 183 Queen's Road Central Hong Kong
	Emperor Securities Limited 23rd-24th Floor, Emperor Group Centre 288 Hennessy Road, Wanchai Hong Kong

DIRECTORS**Particulars of Directors****Name****Address****Executive Directors**

Mr. Ng Kai Man	10th Floor 88 Gloucester Road Wanchai, Hong Kong
Mr. Cheng Yuk Wo	10th Floor 88 Gloucester Road Wanchai, Hong Kong
Mr. Ha Kee Choy, Eugene	10th Floor 88 Gloucester Road Wanchai, Hong Kong

Independent non-executive Directors

Mr. Chui Chi Yun, Robert	10th Floor 88 Gloucester Road Wanchai, Hong Kong
Mr. Lam Kwok Cheong	10th Floor 88 Gloucester Road Wanchai, Hong Kong
Mr. Lui Siu Tsuen, Richard	10th Floor 88 Gloucester Road Wanchai, Hong Kong

Executive Directors:

Mr. Ng Kai Man, aged 56, joined the Company as an executive Director in July 2008 and has been designated as the Chairman of the Company with effect from 1 July 2009. He is also appointed as the director of certain subsidiaries of the Company. Mr. Ng holds a master degree from the London School of Economics & Political Sciences, University of London in the United Kingdom. Mr. Ng had held senior positions in Mandarin Property Consultants Limited, The Chase Manhattan Bank, N.A., World Trade Group and The Bank of Canton. He possesses extensive experience in real estate industry and is the founder of Century 21 Hong Kong Limited.

Mr. Ng does not hold any directorship in other public listed companies in the past three years. Mr. Ng has entered into a service agreement with the Company for a term of three years commenced from 1 July 2009, subject to termination by the Company or Mr. Ng by giving not less than three months' notice in writing. He is also subject to retirement by rotation and eligible for re-election at annual general meeting of the Company in accordance with the Bye-laws.

Mr. Ng beneficially holds the Convertible Note which carrying rights to convert into Shares at a conversion price of HK\$8.36 per Share (subject to adjustment). Upon full conversion of the Convertible Note, Mr. Ng will beneficially own 8,373,205 Shares, representing approximately 7.43% of the issued share capital of the Company as of the Latest Practicable Date or 6.92% of the issued share capital of the Company as enlarged by the Shares to be issued upon conversion.

Mr. Cheng Yuk Wo, aged 50, joined the Company as an independent non-executive Director in October 2007 and has been re-designated as an executive Director with effect from 1 May 2010. He is also appointed as the director of certain subsidiaries of the Company. He is a fellow of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants and a member of the Institute of Chartered Accountants of Ontario, Canada. He is the managing director of a certified public accounting practice limited and the proprietor of a certified public accountant practice in Hong Kong. Mr. Cheng holds a Master of Science (Economics) degree in Accounting and Finance and a Bachelor of Arts (Honours) degree in Accounting.

Currently, Mr. Cheng is an independent non-executive director of C.P. Lotus Corporation (formerly known as Chia Tai Enterprises International Limited), Chong Hing Bank Limited, CPMC Holdings Limited, CSI Properties Limited, Goldbond Group Holdings Limited, HKC (Holdings) Limited, Imagi International Holdings Limited and South China Land Limited, all being public companies listed in Hong Kong. He was also a non-executive director of Henry Group Holdings Limited, a company listed on the Stock Exchange. Save as disclosed above, Mr. Cheng has not held any directorships in other public listed companies in the past three years.

Mr. Ha Kee Choy, Eugene, aged 53, joined the Company as an executive director in July 2004 and is also appointed as the director of certain subsidiaries of the Company. Mr. Ha holds a Master's degree in business administration and is a fellow member of the Association of Chartered Certified Accountants. Mr. Ha possesses over 20 years of experience in the finance and banking industry and acts as director of a number of private and listed companies in Hong Kong.

Mr. Ha is currently an independent non-executive director of Heritage International Holdings Limited, the shares of which are listed on the Stock Exchange. Save as disclosed above, Mr. Ha has not held any directorships in other public listed companies in the past three years.

Independent non-executive Directors:

Mr. Chui Chi Yun, Robert, aged 53, joined the Company as an independent non-executive Director in July 2004. Mr. Chui holds a Bachelor's degree in Commerce (major in Accounting) and is a practicing Certified Public Accountant in Hong Kong. Mr. Chui is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants in the United Kingdom.

Mr. Chui is currently an independent non-executive director of Tse Sui Luen Jewellery (International) Limited and National Arts Holdings Limited (formerly known as Vertex Group Limited), both of which are companies listed on the Stock Exchange. Save as disclosed above, Mr. Chui has not held any directorships in other public listed companies in the past three years.

Mr. Lam Kwok Cheong, aged 56, joined the Company as an independent non-executive Director in September 2010. Mr. Lam holds Bachelor of Laws degree from the University of Hong Kong and has been a practicing solicitor in Hong Kong for over 30 years' experience. Mr. Lam is a Justice of the Peace with Bronze Bauhinia Star (BBS) and a solicitor of the High Court of the Hong Kong Special Administrative Region. He is currently a fellow of the Hong Kong Institute of Directors, Ex-Officio Member of Heung Yee Kuk New Territories, member of Buildings Ordinance Appeal Tribunal Panel and a Civil Celebrant of Marriages.

Mr. Lam is an independent non-executive director of Same Time Holdings Limited, Sparkle Roll Group Limited and Wing Lee Holdings Limited, all being public companies listed on the Main Board of the Stock Exchange. Save as disclosed above, Mr. Lam has not held any directorships in other public listed companies in the past three years.

Mr. Lui Siu Tsuen, Richard, aged 55, joined the Company as an independent non-executive Director in June 2009. Mr. Lui holds a Master of Business Administration degree from the University of Adelaide in Australia. Mr. Lui is a member of the Institute of Chartered Accountants in England and Wales, the CPA Australia, the Hong Kong Institute of Certified Public Accountants and the Chartered Institute of Management Accountants in the United Kingdom. He has 30 years of experience in accounting, financial and corporate management and had held senior financial position in an international accounting firm and various private and public listed companies.

Currently, Mr. Lui is executive director of eSun Holdings Limited and an independent non-executive director of Prosperity Investment Holdings Limited, both being public companies listed in Hong Kong. He was an executive director of Hanny Holdings Limited and Rosedale Hotel Holdings Limited, both are public companies listed on the Stock Exchange. Mr. Lui was also an executive director of PSC Corporation Ltd, a company whose shares are listed on the Singapore Exchange Limited, and a director of MRI Holdings Limited, a company whose shares were listed on the Australian Securities Exchange. Save as disclosed above, Mr. Lui has not held any directorships in other public listed companies in the past three years.

11. MISCELLANEOUS

- (a) The company secretary of the Company is Ms. Chiu Lo, who is currently a member of the Hong Kong Institute of Certified Public Accountants.
- (b) The English texts of the Prospectus Documents shall prevail over their respective Chinese text in case of inconsistencies.

12. EXPENSES

The expenses in connection with the Rights Issue, including the underwriting commission, financial advisory fees, printing, registration, translation, legal and accounting fees, are estimated to be approximately HK\$5.52 million on the basis of 1,126,955,740 Rights Shares to be issued and will be payable by the Company.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the principal place of business of the Company in Hong Kong at 10th Floor, 88 Gloucester Road, Wanchai, Hong Kong from the date of this prospectus up to and including 3 January 2011:

- (a) the memorandum of association of the Company and the Bye-laws;
- (b) the annual reports of the Company for the three financial years ended 31 December 2007, 31 December 2008 and 31 December 2009 and the interim report of the Company for the six months ended 30 June 2010;
- (c) the letter on unaudited pro forma financial information issued by HLB Hodgson Impey Cheng as set out in appendix II to this prospectus;

- (d) the material contracts disclosed in the paragraph headed “Material Contracts” in this appendix;
- (e) the written consents as referred to in the paragraph headed “Expert” in this appendix;
- (f) the Circular; and
- (g) this prospectus.

14. LEGAL EFFECT

This prospectus shall have the effect, if application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions, other than the penal provisions, of sections 44A and 44B of the Companies Ordinance, so far as applicable.

15. DOCUMENTS DELIVERED TO THE REGISTRARS OF COMPANIES

A copy of each of the Prospectus Documents, having attached thereto the written consent referred to under the paragraph headed “Expert” in this appendix, has been registered by the Registrar of Companies in Hong Kong as required by section 342C of the Companies Ordinance. A copy of this prospectus has been or will as soon as reasonably practicable be filed with the Registrar of Companies in Bermuda pursuant to the Companies Act 1981 of Bermuda (as amended).