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OPES ASIA DEVELOPMENT LIMITED

華保亞洲發展有限公司*

(Continued into Bermuda with limited liability)

(Stock Code: 810)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



國泰君安國際
GUOTAI JUNAN INTERNATIONAL

Guotai Junan Securities (Hong Kong) Limited

On 6 December 2011 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place, through the Placing Agent, on a best-effort basis, a maximum of 49,884,000 Placing Shares to not fewer than six Placees who and whose ultimate beneficial owners are third parties independent of and not connected with the Company and its Connected Persons at a price of HK\$0.35 per Placing Share.

The Placing Price of HK\$0.35 per Placing Share represents (i) a discount of approximately 10.26% to the closing price of HK\$0.39 per Share as quoted on the Stock Exchange on 6 December 2011, being the date of the Placing Agreement; (ii) a discount of approximately 13.37% to the average closing price of HK\$0.404 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including 5 December 2011; and (iii) a discount of approximately 13.58% to the average of the closing price of HK\$0.405 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including 5 December 2011.

The maximum number of 49,884,000 Placing Shares represents (i) 20% of the existing issued share capital of the Company of 249,420,000 Shares as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company of 299,304,000 Shares as enlarged by the Placing. The maximum aggregate nominal value of the Placing Shares under the Placing will be HK\$498,840.

* for identification purposes only

The maximum gross proceeds and maximum net proceeds from the Placing (after deducting the commission payable to the Placing Agent and other expenses incurred in the Placing) are expected to be approximately HK\$17.5 million and approximately HK\$16.9 million, respectively. The Company intends to use the maximum net proceeds from the Placing for the general working capital of the Company and potential investments to be identified.

The Placing is conditional upon, among other things, the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Placing Shares.

The Placing Shares to be placed under the Placing Agreement will be issued pursuant to the General Mandate to allot, issue and deal with Shares granted to the Directors at the AGM.

Completion of the Placing is subject to the satisfaction of the conditions precedent in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

THE PLACING AGREEMENT

Date

6 December 2011 (after trading hours)

Parties

- (a) the Company; and
- (b) the Placing Agent.

Placing Agent

The Placing Agent, has conditionally agreed to place a maximum of 49,884,000 Placing Shares on a best effort basis and in consideration thereof, it will receive a placing commission of 1.5% on the gross proceeds of the Placing upon completion of the Placing.

Save that the Company is interested in 6,527,000 shares of Guotai Junan International (representing approximately 0.40% of the issued share capital of Guotai Junan International), to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are third parties independent of and not connected with the Company and its Connected Persons.

Placees

The Placing Agent will place, on a best effort basis, the Placing Shares to not fewer than six Placees who and whose ultimate beneficial owners are third parties independent of and not connected with the Company and its Connected Persons.

Number of Placing Shares

The maximum number of 49,884,000 Placing Shares represents (i) 20% of the existing issued share capital of the Company of 249,420,000 Shares as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company of 299,304,000 Shares as enlarged by the Placing. The maximum aggregate nominal value of the Placing Shares under the Placing will be HK\$498,840.

Placing Price

The Placing Price of HK\$0.35 per Placing Share represents (i) a discount of approximately 10.26% to the closing price of HK\$0.39 per Share as quoted on the Stock Exchange on 6 December 2011, being the date of the Placing Agreement; (ii) a discount of approximately 13.37% to the average closing price of HK\$0.404 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including 5 December 2011; and (iii) a discount of approximately 13.58% to the average of the closing price of HK\$0.405 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including 5 December 2011.

The maximum net placing price under the Placing is approximately HK\$0.340 per Placing Share.

The Placing Price was determined with reference to the prevailing market price of the Share and was negotiated on an arm's length basis between the Company and the Placing Agent on the date of the Placing Agreement. The Directors consider that the terms of the Placing (including the placing commission) are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Ranking of Placing Shares

The Placing Shares, when issued and fully paid, will rank pari passu in all respects among themselves and with the Shares in issue as at the date of allotment and issue of the Placing Shares.

General Mandate

The Placing is not subject to Shareholders' approval as the Placing Shares will be allotted and issued under the General Mandate to allot, issue and deal with Shares granted to the Directors by the Shareholders at the AGM subject to the limit of up to 20% of the then issued share capital of the Company as at the date of the AGM. Under the General Mandate, the Company is authorized to issue up to 498,840,000 Pre-consolidated Shares (equivalent to 49,884,000 Shares).

Up to the date of this announcement, no Share has been issued under the General Mandate.

Conditions of the Placing

The Placing is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Placing Shares; and

- (ii) the Company obtaining all necessary written consents and approvals (if any) from the relevant authorities in respect of the Placing.

The conditions must be fulfilled on or before 31 December 2011 (or such other date as may be agreed between the Company and the Placing Agent), failing which the Placing Agreement shall terminate and none of the parties to the Placing Agreement shall have any claim against the other for any costs or losses (save for any prior breaches of the Placing Agreement).

Termination and force majeure events

- (i) Unless otherwise agreed between the Company and the Placing Agent, the Placing Agent's appointment shall terminate upon the earlier of (a) the completion of the Placing and (b) the termination of the Placing by the Placing Agent in accordance with the terms and conditions of the Placing Agreement, whereby the Company will be formally notified by the Placing Agent in writing in accordance with the terms of the Placing Agreement.
- (ii) The Placing Agreement may be terminated by the Placing Agent if at any time prior to 11:00 a.m. on the date of completion for the Placing Agreement, in the reasonable opinion of the Placing Agent, the success of the Placing would or might be adversely affected by any force majeure events:
 - (a) any event, or series of events beyond the reasonable control of the Placing Agent (including, without limitation, acts of government, strikes, labour disputes, lock-outs, fire, explosion, flooding, civil commotion, economic sanctions, epidemic, pandemic, outbreak of infectious disease, terrorism, outbreak or escalation of hostilities (whether local, national or international), acts of war and acts of God); or
 - (b) any change, or development (whether or not permanent) involving a prospective change, in or affecting the business, general affairs, management, prospects, assets and liabilities, shareholders' equity, results of operations or position, financial or otherwise, of the Company or the Group as a whole, whether or not arising in the ordinary course of business; or
 - (c) any change (whether or not permanent) or any development (whether or not permanent) involving a prospective change or any crisis in local, national or international financial, political, economic, legal, military, industrial, fiscal, regulatory, currency or market conditions (including, without limitation, conditions in the stock and bond markets, money and foreign exchange markets, interbank markets and credit markets and conditions with respect to interest rates in Hong Kong or otherwise) or foreign exchange controls in Hong Kong or overseas or any occurrence of a combination of any such changes or developments or crises or any deterioration of any such conditions; or
 - (d) the commencement by any state, governmental, judicial, regulatory or political body or organisation of any action against any director of the Company or an announcement by any state, governmental, judicial, regulatory or political body or organisation that it intends to take any such action; or

- (e) the introduction of any new law or regulation or any change (whether or not permanent) or development (whether or not permanent) involving a prospective change in existing laws or regulations or the interpretation or application thereof by any court or other competent authority; or
 - (f) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange, or in any securities of the Company on any stock exchange or over the counter market.
- (iii) If, at or prior to 11:00 a.m. on the date of completion of the Placing, there occurs:
- (a) any breach of, or any event rendering untrue, incorrect or breached in any respect, any of the representations, warranties or undertakings referred to in the Placing Agreement; or
 - (b) any breach of, or failure to perform, any of the other obligations of the Company, which are required to be performed on or before the date of completion of the Placing,

the Placing Agent may terminate the Placing Agreement without liability to the Company by giving written notice to the Company.

Completion of the Placing

Completion of the Placing shall take place not later than the fourth Business Day immediately after the date on which the Company receives the written confirmation issued by the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Placing Shares (or such later time and/or date as the Company and the Placing Agent may agree in writing).

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Directors have considered various ways of raising funds and consider that the Placing represents an attractive opportunity to raise capital for the Company while broadening the Shareholder base and capital base of the Company. Accordingly, the Directors consider the Placing Agreement is in the interest of the Company and the Shareholders as a whole.

The maximum gross proceeds and maximum net proceeds from the Placing (after deducting the commission payable to the Placing Agent and other expenses incurred in the Placing) are expected to be approximately HK\$17.5 million and approximately HK\$16.9 million, respectively.

The principal activity of the Company is investment in listed and unlisted shares. The Company intends to use the net proceeds from the Placing for the general working capital of the Company and potential investments to be identified.

FUND RAISING EXERCISES DURING THE PAST 12 MONTHS

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds
8 April 2011	Placing of 32,600,000 Pre-consolidated Shares at HK\$0.112 per placing share under general mandate	HK\$3.4 million	For general working capital of the Company and potential investments to be identified	Retained as general working capital at the banks of the Company and potential investments to be identified
6 May 2011	Open offer of 831,400,000 Pre-consolidated Shares at the subscription price of HK\$0.07 per offer share	HK\$56.3 million	For future possible investments when such opportunities are identified	Retained as general working capital at the banks of the Company and potential investments to be identified

Save as disclosed above, the Company has not conducted any other fund raising exercises in the past twelve months before the date of this announcement.

SHAREHOLDING STRUCTURE

The shareholding structure of the Company (i) as at the date of this announcement, and (ii) immediately after completion of the Placing, is as follows:

Shareholders	As at the date of this announcement		Immediately after completion of the Placing	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Directors (<i>Note</i>)	27,150,000	10.89	27,150,000	9.07
Public Shareholders:				
— Placees	—	—	49,884,000	16.67
— Others	<u>222,270,000</u>	<u>89.11</u>	<u>222,270,000</u>	<u>74.26</u>
Total	<u>249,420,000</u>	<u>100.00</u>	<u>299,304,000</u>	<u>100.00</u>

Note: These Shares are held by Mr. Cheung Tung Lan, Tony (a non-executive Director) as to 25,500,000 Shares, Mr. Chu Wai Lim (an executive Director) as to 1,350,000 Shares and Ms. Fong Son Wa (an executive Director) as to 300,000 Shares.

GENERAL

Application will be made by the Company to the Listing Committee of the Stock Exchange for the granting of approval for the listing of, and permission to deal in, the Placing Shares.

Completion of the Placing is subject to the satisfaction of the conditions precedent in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company held on 29 June 2011
“Board”	the board of Directors
“Business Day”	any day (other than a Saturday, Sunday or public holiday) on which banks are generally open for business in Hong Kong
“Company”	Opes Asia Development Limited, an exempted company continued into Bermuda with limited liability, the Shares of which are listed on the Stock Exchange
“Connected Person(s)”	has the meaning ascribed thereto in the Listing Rules

“Director(s)”	the director(s) of the Company
“General Mandate”	the mandate granted to the Directors by the Shareholders at the AGM to allot, issue and deal with up to 20% of the then issued share capital of the Company as at the date of the AGM
“Group”	the Company and its subsidiaries
“Guotai Junan International”	Guotai Junan International Holdings Limited (stock code: 1788), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any professional, institutional or other investor(s) procured by the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agent’s obligations under the Placing Agreement
“Placing”	the placing of a maximum of 49,884,000 new Shares by the Placing Agent on a best effort basis pursuant to the terms of the Placing Agreement
“Placing Agent”	Guotai Junan Securities (Hong Kong) Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO, a company wholly owned by Guotai Junan International
“Placing Agreement”	the conditional placing agreement dated 6 December 2011 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	HK\$0.35 per Placing Share
“Placing Shares”	a maximum of 49,884,000 new Shares to be placed pursuant to the Placing Agreement
“Pre-consolidated Shares”	ordinary share(s) of HK\$0.001 each in the share capital of the Company prior to the effective date of the share consolidation on 1 December 2011
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company after the share consolidation became effective on 1 December 2011
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

By order of the Board
Opes Asia Development Limited
Chu Wai Lim
Executive Director

Hong Kong, 6 December 2011

As at the date of this announcement, the executive directors of the Company are Mr. Yang Yongdong, Mr. Chu Wai Lim and Ms. Fong Son Wa; the non-executive directors of the Company are Mr. Cheung Tung Lan, Tony and Mr. Wang Shiyan; the independent non-executive directors of the Company are Mr. Tsang Wai Wa, Professor Chen Yamin and Mr. Chan Yuk Sang.