

THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any 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 shares in Opes Asia Development Limited, you should at once hand the Prospectus Documents to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

A copy of each of the Prospectus Documents, together with the documents specified in the paragraph headed "Documents delivered to the Registrars of Companies" in Appendix IV to this Prospectus, has been registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong). A copy of the Prospectus has been filed or will, as soon as reasonably practicable, be filed with the Registrar of Companies in Bermuda in accordance with the requirements of the Companies Act 1981 of Bermuda (as amended). The Securities and Futures Commission of Hong Kong, the Registrar of Companies in Bermuda and the Registrar of Companies in Hong Kong take no responsibility for the contents of any of these documents.

Dealings in the securities of the Company may be settled through CCASS and you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests.

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

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and HKSCC 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.



OPES ASIA DEVELOPMENT LIMITED
華保亞洲發展有限公司*

(Continued into Bermuda with limited liability)

(Stock Code: 810)

OPEN OFFER OF 831,400,000 OFFER SHARES
AT HK\$0.07 PER OFFER SHARE ON THE BASIS OF
ONE OFFER SHARE FOR EVERY TWO SHARES
HELD ON THE RECORD DATE

Underwriter to the Open Offer



GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED

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

The latest time for acceptance of and payment for the Offer Shares is at 4:00 p.m. on Monday, 13 June 2011. The procedures for acceptance of and payment for the Offer Shares are set out on page 21 of this Prospectus.

The Underwriting Agreement contains provisions which entitle the Underwriter, by notice in writing, to terminate the Underwriting Agreement prior to the Latest Time for Termination on the occurrence of certain events including force majeure. These events are set out under the section headed "Termination of the Underwriting Agreement" on page 12 of this Prospectus. If the Underwriter terminates the Underwriting Agreement, the Open Offer will not proceed.

Shareholders should note that the Shares have been dealt in on an ex-entitlement basis commencing from Thursday, 19 May 2011 and that dealings in the Shares may take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled. Any Shareholder or other person dealing in the Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled (which is expected to be on Thursday, 16 June 2011), will accordingly bear the risk that the Open Offer may not become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional advisers.

TERMINATION OF THE UNDERWRITING AGREEMENT

Shareholders should note that the Underwriting Agreement contains provisions entitling the Underwriter, by notice in writing, to terminate its obligations thereunder if at any time prior to the Latest Time for Termination:

- (1) the Underwriter may terminate the arrangement set out in the Underwriting Agreement by notice in writing to the Company at any time prior to the Latest Time for Termination, if the Underwriter becomes aware of the fact that there shall develop, occur, exist or come into effect:
 - (a) any new law or regulation or any change in existing laws or regulations in Hong Kong or any other place that is the place of incorporation of the Company, or in which the Company conducts or carries on business; or
 - (b) any significant change (whether or not permanent) in local, national or international economic, financial, political or military conditions; or
 - (c) any significant change (whether or not permanent) in local, national or international securities market conditions (any moratorium, suspension or material restriction on trading in shares or securities generally on the Stock Exchange due to exceptional financial circumstances or otherwise) or exchange controls; or
 - (d) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out,

and in the reasonable opinion of the Underwriter, such change has or would have a material and adverse effect on the business, financial or trading position or prospects of the Company as a whole or the success of the Open Offer or make it inadvisable or inexpedient to proceed with the Open Offer.

- (2) If, at any time prior to the Latest Time for Termination, the Company commits any breach of or omits to observe any of the obligations or undertakings expressed to be assumed by it under the Underwriting Agreement which breach or omission will have a material and adverse effect of its business, financial or trading position, the Underwriter shall be entitled (but not bound) by notice in writing to the Company to elect to treat such matter or event as releasing and discharging the Underwriter from its obligations under the Underwriting Agreement.

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 6 May 2011 relating to, amongst other things, the proposed Open Offer
“Application Form”	the form of application for use by the Qualifying Shareholders to apply for the Offer Shares which shall be in the agreed form
“Assets”	all the assets (including but not limited to cash and securities) of the Company from time to time
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Hong Kong
“Bye-laws”	the bye-laws of the Company
“CCASS”	the Central Clearing and Settlement System, established and operated by HKSCC
“Companies Ordinance”	Companies Ordinance, Chapter 32 of the Laws of Hong Kong (as amended from time to time)
“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 under the Listing Rules
“Director(s)”	the director(s) of the Company
“Excluded Shareholders”	the Overseas Shareholders whom the Board, after making enquiries, considers it necessary or expedient not to offer the Offer Shares to on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Greater China”	the PRC, Taiwan, Hong Kong and Macau
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Investment Manager”	China International Capital Limited, a company incorporated in Hong Kong with limited liability and the investment manager of the Company
“Last Trading Day”	6 May 2011, the last day on which the Shares were traded on the Stock Exchange immediately preceding the publication of the Announcement
“Latest Acceptance Time”	4:00 p.m. on Monday, 13 June 2011 or such other time as may be agreed between the Company and the Underwriter, being the latest time for acceptance of the offer of Offer Shares
“Latest Practicable Date”	20 May 2011, being the latest practicable date for ascertaining certain information for inclusion in this Prospectus
“Latest Time for Termination”	4:00 p.m. on the third Business Day after the Latest Acceptance Time, being the latest time by which the Underwriter may terminate the Underwriting Agreement
“Listing Committee”	has the meaning as defined in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Net Asset Value”	the net asset value of the Company in total or (as the context requires) per share of the Company calculated in accordance with the provisions of the Bye-laws
“Offer Share(s)”	831,400,000 new Shares to be issued by the Company pursuant to the Open Offer
“Open Offer”	the proposed issue of Offer Shares by the Company on the basis of one Offer Share for every two existing Shares to the Qualifying Shareholders at the Subscription Price, pursuant to the terms and conditions of the issue
“Overseas Shareholder(s)”	the Shareholder(s) with registered address(es) (as shown on the register of members of the Company on the Record Date) which are outside Hong Kong
“PRC”	the People’s Republic of China
“Prospectus”	the prospectus to be issued by the Company in relation to the Open Offer
“Prospectus Documents”	the Prospectus and the Application Form

DEFINITIONS

“Qualifying Shareholder(s)”	the Shareholder(s), other than the Excluded Shareholder(s), whose name(s) appear(s) on the register of members of the Company on the Record Date
“Record Date”	Wednesday, 25 May 2011 or such other date as may be agreed between the Company and the Underwriter
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) with par value of HK\$0.001 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Share Option(s)”	the option(s) to subscribe for Share(s) under the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 8 February 2002
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$0.07 per Offer Share
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Undertaking Shareholder(s)”	include Mr. Cheung Tung Lan, Tony, Mr. Chu Wai Lim and Ms. Fong Son Wa, all together holding 181,000,000 Shares as at the Latest Practicable Date
“Underwriter”	Guotai Junan Securities (Hong Kong) Limited, a corporation licensed to conduct type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO
“Underwriting Agreement”	the underwriting agreement dated 6 May 2011 entered into between the Company and the Underwriter in relation to the Open Offer
“Underwritten Shares”	not fewer than 740,900,000 Offer Shares and not more than 847,580,000 Offer Shares, being all the Offer Shares less those Offer Shares to be provisionally allotted to the Undertaking Shareholders on an assured basis which have been undertaken to be accepted and subscribed for by them
“Valuation Date”	the last dealing day on the Stock Exchange in each calendar month or such other dealing day as considered appropriate by the Board for the purpose of calculating the Net Asset Value

DEFINITIONS

“AUD”	Australian dollars, the lawful currency of Australia
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent

EXPECTED TIMETABLE

The expected timetable for the Open Offer is set out below:

2011

Book closure period (both dates inclusive)	Monday, 23 May to Wednesday, 25 May
Record Date	Wednesday, 25 May
Register of members re-opens	Thursday, 26 May
Despatch of Prospectus Documents	Thursday, 26 May
Latest time for acceptance of and payment for the Offer Shares	4:00 p.m. on Monday, 13 June
Open Offer becomes unconditional	4:00 p.m. on Thursday, 16 June
Announcement on results of the Open Offer	Friday, 17 June
Despatch of share certificates for Offer Shares.	Monday, 20 June
Dealings in Offer Shares expected to commence	Wednesday, 22 June

Note: All times above refer to Hong Kong times.

Dates or deadlines specified in this Prospectus are indicative only and may be varied by agreement between the Company and the Underwriter. Any consequential changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

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

The latest time for acceptance of and payment for Offer Shares will not take place if there is:

- (a) a tropical cyclone warning signal number 8 or above; or
- (b) a “black” rainstorm warning
 - (i) in force in Hong Kong at any local time before 12:00 noon but no longer in force after 12:00 noon on Monday, 13 June 2011. Instead the latest time of acceptance of and payment for the Offer Shares will be extended to 5:00 p.m. on the same Business Day;
 - (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Monday, 13 June 2011. Instead the latest time of acceptance of and payment for the Offer Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for acceptance of and payment for the Offer Shares does not take place on Monday, 13 June 2011, the dates mentioned in the section headed “Expected timetable” may be affected. An announcement will be made by the Company in such event as soon as practicable.

LETTER FROM THE BOARD



OPES ASIA DEVELOPMENT LIMITED

華保亞洲發展有限公司*

(Continued into Bermuda with limited liability)

(Stock Code: 810)

Executive Directors

Mr. Yang Yongdong
Mr. Chu Wai Lim
Ms. Fong Son Wa

Registered Office

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Non-executive Director

Mr. Cheung Tung Lan, Tony

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

Unit 3604B, 36th Floor
Tower 2, Lippo Centre
No. 89 Queensway, Admiralty
Hong Kong

Independent non-executive Directors

Mr. Tsang Wai Wa
Professor Chen Yamin
Mr. Chan Yuk Sang

26 May 2011

To the Shareholders

Dear Sir or Madam,

**OPEN OFFER OF 831,400,000 OFFER SHARES
AT HK\$0.07 PER OFFER SHARE ON THE BASIS OF
ONE OFFER SHARE FOR EVERY TWO SHARES
HELD ON THE RECORD DATE**

INTRODUCTION

On 6 May 2011, the Company announced that the Board proposes to raise not less than approximately HK\$58.2 million and not more than approximately HK\$65.7 million before expenses by issuing not fewer than 831,400,000 Offer Shares and not more than 938,080,000 Offer Shares at the Subscription Price of HK\$0.07 per Offer Share on the basis of one Offer Share for every two existing Shares held by the Qualifying Shareholders on the Record Date.

The purpose of this Prospectus is to provide further information regarding the Open Offer, including information on dealings in and applications for the Offer Shares, and certain financial and other information of the Company.

* For identification purpose only

LETTER FROM THE BOARD

PROPOSED OPEN OFFER

Basis of the Open Offer	:	One Offer Share for every two existing Shares held on the Record Date
Number of existing shares in issue as at the Latest Practicable Date	:	1,662,800,000 Shares
Number of Offer Shares	:	831,400,000 Offer Shares
Subscription price	:	HK\$0.07 per Offer Share
Enlarged issued share capital immediately upon completion of the Open Offer	:	2,494,200,000 Shares
Aggregate nominal value of the total Offer Shares	:	HK\$831,400

As at the Latest Practicable Date, there were outstanding Share Options entitling the holders thereof to subscribe for an aggregate of 213,360,000 new Shares respectively.

Save as the above-mentioned Share Options, the Company had no outstanding derivatives, options, warrants or conversion rights or other similar rights which were convertible or exchangeable into Shares as at the Latest Practicable Date.

Pursuant to the Underwriting Agreement, the Company has undertaken that it shall not, without the prior consent of the Underwriter, issue any Shares or issue or grant any Share Options or other securities convertible into, exchangeable for or which carry rights to acquire Shares (other than the Offer Shares) which right is exercisable on or prior to the Record Date from the date of the Underwriting Agreement until after the Latest Acceptance Time, being at 4:00 p.m. on Monday, 13 June 2011.

The Offer Shares proposed to be issued pursuant to the terms of the Open Offer represent 50% of the Company's existing issued share capital as at the Latest Practicable Date and approximately 33.33% of the enlarged issued share capital of the Company immediately following the completion of the Open Offer.

Subscription Price

The Subscription Price for the Offer Shares is HK\$0.07 per Offer Share payable in cash in full upon application by a Qualifying Shareholder. The Subscription Price of HK\$0.07 per Offer Share represents:

- (i) a discount of approximately 36.4% to the closing price of HK\$0.110 per Share as quoted on the Stock Exchange on the Last Trading Day;

LETTER FROM THE BOARD

- (ii) a discount of approximately 37.5% to the average closing price of HK\$0.112 per Share for the five consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 40.2% to the average closing price of HK\$0.117 per Share for the ten consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 27.8% to the theoretical ex-entitlement price of HK\$0.097 per Share based on the closing price as quoted on the Stock Exchange on the Last Trading Day;
- (v) a discount of approximately 27.8% to the closing price of HK\$0.097 per Share as quoted on the Stock Exchange on the Latest Practicable Date; and
- (vi) a premium of approximately 32.8% to the Company's latest published Net Asset Value of HK\$0.0527 per Share.

The Subscription Price was arrived at after arm's length negotiation between the Company and the Underwriter with reference to the then market environment, prevailing Share prices and the recent financial conditions of the Company. In order to enhance the attractiveness of the Open Offer, issuance of new shares by way of an open offer at a discount to the market price has been commonly adopted by listed issuers in Hong Kong. Given the relatively long underwriting period of an open offer and taking into account the aforesaid and the theoretical ex-entitlement price per Share, the Directors consider that, in order to enhance the attractiveness of the Open Offer, the discount on the Subscription Price to the current market price of the Shares as proposed is appropriate. Each Qualifying Shareholder is entitled to subscribe for the Offer Shares at the same price in proportion to his/her/its shareholding in the Company held on the Record Date. The Directors consider that the terms of the Open Offer are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Status of the Offer Shares

The Offer Shares, when allotted, issued and fully-paid, will rank *pari passu* with the then existing Shares in issue on the date of allotment of the Offer Shares. Holders of such Offer Shares 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 Offer Shares. Dealings in the Offer Shares will be subject to payment of stamp duty in Hong Kong.

Fractions of the Offer Shares

No fractional entitlements to the Offer Shares will be allotted to individual Shareholders. All such fractional entitlements will be aggregated and taken up by the Underwriter.

No application for excess Offer Shares

There is no arrangement for an application of Offer Shares by Qualifying Shareholders in excess of their entitlements. Considering that each Qualifying Shareholder will be given an equal and fair opportunity to participate in the Company's future development by subscribing for his/her/its proportionate entitlement under the Open Offer, if an application for excess Offer Shares is arranged, the Company will be required to put in additional effort and costs to administer the excess application

LETTER FROM THE BOARD

procedures, which is not cost-effective from the viewpoint of the Company. Any Offer Shares not taken up by the Qualifying Shareholders will be taken up by the Underwriter. No odd lot matching services will be provided by the Company in respect of the Open Offer.

Share certificates for the Offer Shares

Subject to the fulfillment of all of the conditions of the Open Offer, share certificates for all fully-paid Offer Shares are expected to be posted to Qualifying Shareholders who have validly accepted and applied for (where appropriate) and paid for the Offer Shares by Monday, 20 June 2011 at their own risk.

Qualifying Shareholders

The Company will send (i) the Prospectus Documents to the Qualifying Shareholders; and (ii) the Prospectus, but not the Application Form, to the Excluded Shareholders for their information only. The Open Offer is only available to the Qualifying Shareholders. To qualify for the Open Offer, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and not be an Excluded Shareholder.

Excluded Shareholders

As the Prospectus Documents are not intended to be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong and Bermuda, if there are Overseas Shareholders at the close of business on the Record Date, the Overseas Shareholders may not be eligible to take part in the Open Offer.

The Directors will make enquiries pursuant to Rule 13.36(2)(a) of the Listing Rules with the legal advisers of the Company as to the feasibility of extending the Open Offer to the Overseas Shareholders taking into consideration of the applicable securities legislation of the relevant overseas places or the requirements of the relevant regulatory body or stock exchange for the issue of Offer Shares to the Overseas Shareholders.

If, after making such enquiry, the Directors are of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant place or any applicable requirements of the relevant regulatory body or stock exchange in that place, not to offer the Offer Shares to such Overseas Shareholders, the Open Offer will not be extended to the Overseas Shareholders who will then become Excluded Shareholders. The Offer Shares to which the Excluded Shareholders would otherwise be entitled under the Open Offer will be taken up by the Underwriter. The Company will send only the Prospectus, but not the Application Form, to the Excluded Shareholders for their information.

Based on the register of members of the Company as at the Record Date, there was one Shareholder with registered address in Macau. Pursuant to the Listing Rules, the Board has made enquiries as to whether there is any legal restriction under the applicable securities legislation of the relevant jurisdiction or requirement of any relevant regulatory body or stock exchange with respect to the offer of Offer Shares to such Overseas Shareholder.

LETTER FROM THE BOARD

The Directors, after making enquiries pursuant to the Listing Rules, are of the view that the Open Offer will be extended to such Overseas Shareholder with registered address in Macau as no local legal or regulatory compliance is required to be made in this jurisdiction.

APPLICATION FOR LISTING

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Offer Shares.

Dealings in the Offer Shares on the Stock Exchange will be subject to the payment of stamp duty in Hong Kong, Stock Exchange trading fees, SFC transaction levy and other applicable fees and charges in Hong Kong.

Subject to the grant of the listing of, and permission to deal in, the Offer Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the general rules and operational procedures of CCASS in effect from time to time.

Irrevocable undertakings from the Undertaking Shareholders

As at the Latest Practicable Date, the Undertaking Shareholders all together held 181,000,000 Shares, representing approximately 10.89% of the issued share capital of the Company. The Undertaking Shareholders have irrevocably undertaken to the Company, among other things, to accept or procure the acceptance of the assured allotment of an aggregate of 90,500,000 Offer Shares.

UNDERWRITING ARRANGEMENTS

Underwriting Agreement dated 6 May 2011

Issuer	:	the Company
Underwriter	:	Guotai Junan Securities (Hong Kong) Limited
Number of Underwritten Shares	:	Not fewer than 740,900,000 Offer Shares and not more than 847,580,000
Commission	:	2.3% of the aggregate Subscription Price of the Underwritten Shares

LETTER FROM THE BOARD

Pursuant to the Underwriting Agreement, the Underwriter has conditionally agreed to subscribe or procure subscription for the Offer Shares which will not be taken up. Accordingly, the Open Offer is fully underwritten. The Directors are of the opinion that the terms of the Underwriting Agreement and the amount of commission given to the Underwriter are fair as compared to the market practice and commercially reasonable as agreed between the Company and the Underwriter.

To the best of the Directors' knowledge, information and belief, the Underwriter and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons (as defined in the Listing Rules).

Conditions of the Open Offer

The Open Offer is conditional upon all of the following conditions being fulfilled:

- (1) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of and permission to deal in all the Offer Shares (in their fully-paid form);
- (2) the filing and registration of all documents relating to the Open Offer, which are required to be filed or registered with the Registrar of Companies in Hong Kong in accordance with the Companies Ordinance;
- (3) the posting of the Prospectus Documents to Qualifying Shareholders;
- (4) compliance with and performance by the Undertaking Shareholders of all of their obligations and undertakings under the their respective irrevocable undertakings; and
- (5) compliance with and performance of all the undertakings and obligations of the Company under the terms of the Underwriting Agreement.

None of the Company and the Underwriter may waive conditions (1) to (4) set out above. The Underwriter may waive condition (5) (so far as it relates to the Company) set out above in whole or in part by written notice to the Company. If any of the conditions of the Open Offer are not fulfilled and/or waived on or before the Latest Acceptance Time (or such other time and/or date as the Company and the Underwriter may determine in writing), the Underwriting Agreement shall terminate (save in respect of any rights and obligations which may accrue under the Underwriting Agreement prior to such termination) and neither the Company nor the Underwriter shall have any claim against the other party for costs, damages, compensation or otherwise save for any antecedent breach and the Open Offer will not proceed.

LETTER FROM THE BOARD

Termination of the Underwriting Agreement

The Underwriting Agreement contains provisions entitling the Underwriter, by notice in writing, to terminate its obligations thereunder if at any time prior to the Latest Time for Termination:

- (1) the Underwriter may terminate the arrangement set out in the Underwriting Agreement by notice in writing to the Company at any time prior to the Latest Time for Termination, if the Underwriter becomes aware of the fact that there shall develop, occur, exist or come into effect:
 - (a) any new law or regulation or any change in existing laws or regulations in Hong Kong or any other place that is the place of incorporation of the Company, or in which the Company conducts or carries on business; or
 - (b) any significant change (whether or not permanent) in local, national or international economic, financial, political or military conditions; or
 - (c) any significant change (whether or not permanent) in local, national or international securities market conditions (any moratorium, suspension or material restriction on trading in shares or securities generally on the Stock Exchange due to exceptional financial circumstances or otherwise) or exchange controls; or
 - (d) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out,

and in the reasonable opinion of the Underwriter, such change has or would have a material and adverse effect on the business, financial or trading position or prospects of the Company as a whole or the success of the Open Offer or make it inadvisable or inexpedient to proceed with the Open Offer.

- (2) If, at any time prior to the Latest Time for Termination, the Company commits any breach of or omits to observe any of the obligations or undertakings expressed to be assumed by it under the Underwriting Agreement which breach or omission will have a material and adverse effect of its business, financial or trading position, the Underwriter shall be entitled (but not bound) by notice in writing to the Company to elect to treat such matter or event as releasing and discharging the Underwriter from its obligations under the Underwriting Agreement.

WARNING OF THE RISK OF DEALING IN THE SHARES

The Shares have been dealt in on an ex-entitlement basis commencing from Thursday, 19 May 2011 based on the expected timetable.

The Open Offer is conditional upon, inter alia, the fulfillment or waiver of the conditions set out under the paragraph headed “Conditions of the Open Offer” under the section headed “Underwriting Arrangements” in this Prospectus. In particular, it is subject to the Underwriting Agreement not being terminated in accordance with its terms thereof (a summary of which is set out under the paragraph headed “Termination of the Underwriting Agreement” under the section headed “Underwriting Arrangements” in this Prospectus above). The Open Offer may or may not proceed.

LETTER FROM THE BOARD

Any dealing in the Shares up to the date on which all the conditions of the Open Offer are fulfilled or waived will accordingly bear the risk that the Open Offer may not become unconditional or may not proceed. Any Shareholders or other persons contemplating dealings in the Shares are recommended to consult their own professional advisers. The Shareholders and potential investors of the Company should therefore exercise extreme caution when dealing in the Shares.

CHANGES IN SHAREHOLDING STRUCTURE

The existing shareholding structure of the Company as at the Latest Practicable Date and the shareholding structure of the Company immediately upon completion of the Open Offer are set out below for illustration purpose only:

Shareholders	At the Latest Practicable Date		Immediately after the completion of the Open Offer (assuming no Qualifying Shareholders, except the Undertaking Shareholders, shall take up his/her/its entitlements under the Open Offer)		Immediately after the completion of the Open Offer (assuming all Qualifying Shareholders shall take up his/her/its entitlements under the Open Offer)	
	Approximate		Approximate		Approximate	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Cheung Tung Lan, Tony (Note 1)	170,000,000	10.23	255,000,000	10.23	255,000,000	10.23
Chu Wai Lim (Note 2)	9,000,000	0.54	13,500,000	0.54	13,500,000	0.54
Fong Son Wa (Note 2)	2,000,000	0.12	3,000,000	0.12	3,000,000	0.12
<i>Public</i>						
Underwriter (Note 3)	—	—	740,900,000	29.70	—	—
<i>Other public</i>						
Shareholders	<u>1,481,800,000</u>	<u>89.11</u>	<u>1,481,800,000</u>	<u>59.41</u>	<u>2,222,700,000</u>	<u>89.11</u>
Total	<u>1,662,800,000</u>	<u>100.00</u>	<u>2,494,200,000</u>	<u>100.00</u>	<u>2,494,200,000</u>	<u>100.00</u>

Notes:

1. Mr. Cheung Tung Lan, Tony is a non-executive Director.
2. Mr. Chu Wai Lim and Ms. Fong Son Wa are executive Directors.
3. This scenario is for illustration purpose only and will never occur. In the event of the Underwriter being called upon to subscribe for or procure subscribers of any of the Underwritten Shares:
 - i. the Underwriter shall not subscribe, for its own account, for such number of the Offer Shares which have not taken up by the Qualifying Shareholders which will result in the shareholding of it and parties acting in concert (within the meaning of the Takeovers Code) with it in the Company to exceed 19.9% of the then issued share capital of the Company upon the completion of the Open Offer; and
 - ii. the Underwriter shall ensure that none of the subscribers of the Underwritten Shares will become a substantial shareholder (as defined in the Listing Rules) of the Company as a result of such subscription.

LETTER FROM THE BOARD

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Open Offer are subject to various factors, including the results of the acceptance of the Open Offer.

INVESTMENT PORTFOLIO

Set out below are the top ten securities/investments of the Company as at 30 April 2011, 31 December 2010, 31 December 2009 and 31 December 2008, respectively:

As at 30 April 2011[#]

Name of securities	Brief description of the business	Proportion of share capital owned %	Cost HK\$	Market value HK\$ (Note a)	Dividend received/ receivable during the year HK\$	Net assets attributable to the investment %
Investment in companies whose shares are listed on the Stock Exchange:						
China Bio Cassava Holdings Limited	Development and sale of computer software	3.60%	11,416,390	14,750,000	—	16.84%
China Solar Energy Holdings Limited	Manufacture and sale of photovoltaic business	0.29%	12,414,389	3,830,400	—	4.85%
REXLot Holdings Limited	Provision of lottery machines and related services and financial services	0.01%	22,296	395,000	—	0.47%
China Coal Energy Co. Ltd. — H Shares	Production and sale of coal and coke products and manufacturing and sales of coal mining machinery	0.00%	990,500	887,240	—	1.41%
Investment in company whose shares are listed on the Australian Securities Exchange:						
ViaGOLD Capital Limited	Investment holding, property development and leasing and capital financing	3.89%	11,727,980	17,139,943	—	19.57%
Direct investment in private companies:						
北京華寶時代國際設備租賃有限公司	Leasing of equipment, machinery and facilities	30.00%	12,000,000	8,820,000	Note b	10.07%
Becky Agric Resources Co., Limited	Organic farming and agriculture business	30.00%	12,000,000	12,000,000	Note c	13.70%
Total			<u>69,588,094</u>	<u>57,822,583</u>	<u>—</u>	<u>69.38%</u>

[#] The Company held only seven investments as at 30 April 2011.

LETTER FROM THE BOARD

Subsequent to 30 April 2011, the Company invested in a total of 5,732,000 shares of Datronix Holdings Limited whose shares are listed on the Stock Exchange. The relevant information of the investment is as follows:

Name of securities	Brief description of the business	Proportion of share capital owned %	Cost HK\$	Market value as at the Latest Practicable Date HK\$
Datronix Holdings Limited	Manufacturing and trading of electronic components	1.79	16,742,760	17,425,280

As at 31 December 2010

Name of securities	Brief description of the business	Proportion of share capital owned %	Cost HK\$	Market value HK\$ (Note a)	Dividend received/receivable during the year HK\$	Net assets attributable to the investment %	Profit/(loss) for the year (\$'000)	Net assets of the investee companies (\$'000)
Investment in companies whose shares are listed on the Stock Exchange:								
China Bio Cassava Holdings Limited (Note d)	Development and sale of computer software	3.60%	11,416,390	17,995,000	—	18.54%	(5,425)	13,163
Culturecom Holdings Limited (Note e)	Publishing	0.90%	6,143,677	3,115,900	—	3.21%	10,561	645,900
Mobile Telecom Network (Holdings) Limited (Note e)	Provision of mobile and internet communication telecommunications	0.60%	984,482	820,864	—	0.85%	(679)	26,885
China Solar Energy Holdings Limited (Note e)	Manufacture and sale of photovoltaic business	0.42%	12,414,389	4,249,350	—	4.38%	(96,075)	435,266
REXLot Holdings Limited (Note d)	Provision of lottery machines and related services and financial services	0.01%	22,296	410,000	3,900	0.42%	644,454	3,774,108
							<i>RMB' million</i>	<i>RMB' million</i>
PetroChina Co. Ltd. — H Shares (Note d)	Principally engaged in the exploration, development and production and marketing of oil and natural gas	0.00%	890,980	934,720	24,806	0.96%	150,675	1,010,101
China Shunhua Energy Co. Ltd. — H Shares (Note d)	Production and sale of coal and power and provision of transportation services in the PRC	0.00%	1,987,900	1,858,200	—	1.91%	43,569	228,788
Investment in company whose shares are listed on the Australian Securities Exchange:								
							<i>AUD\$'000</i>	<i>AUD\$'000</i>
ViaGOLD Capital Limited (Note e)	Investment holding, property development and leasing and capital financing	3.89%	11,727,980	17,139,943	—	17.66%	2,513	4,703
Direct investment in private companies:								
北京華寶時代國際設備租賃有限公司	Leasing of equipment, machinery and facilities	30.00%	12,000,000	8,820,000	Note b	9.09%		
Becky Agric Resources Co., Limited	Organic farming and agriculture business	30.00%	12,000,000	12,000,000	Note c	12.36%		
Total			69,588,094	67,343,977	28,706	69.38%		

LETTER FROM THE BOARD

As at 31 December 2009*

Name of securities	Brief description of the business	Proportion of share capital owned %	Cost HK\$	Market value HK\$ (Note a)	Dividend received/ receivable during the year HK\$	Net assets attributable to the investment %	Profit/(loss) for the year (\$'000)	Net assets of the investee companies (\$'000)
Investment in companies whose shares are listed on the Stock Exchange:								
Culturecom Holdings Limited (Note e)	Publishing	0.90%	6,769,263	2,741,992	—	3.24%	(92,889)	626,429
Mobile Telecom Network (Holdings) Limited (Note e)	Provision of mobile and internet communication telecommunications	1.93%	2,649,277	1,214,024	—	1.44%	748	27,297
China Solar Energy Holdings Limited (Note e)	Manufacture and sale of photovoltaic business	0.46%	12,414,389	4,907,700	—	5.80%	(46,494)	256,173
REXLot Holdings Limited (Note d)	Provision of lottery machines and related services and financial services	0.01%	22,296	435,000	900	0.52%	416,155	3,446,671
China Bio Cassava Holdings Limited (Note d)	Development and sale of computer software	3.60%	11,416,390	22,420,000	—	26.51%	(13,581)	19,024
Investment in companies whose shares are listed on the Australian Securities Exchange:								
ViaGOLD Capital Limited (Note e)	Investment holding, property development and leasing and capital financing	9.41%	11,727,980	1,243,508	—	1.47%	(8,902)	3,087
Direct investment in private companies:								
Dyxnet Holdings Limited	Provision of internet services	0.23%	4,000,000	107,000	—	0.13%		
北京華寶時代國際設備租賃有限公司	Leasing of equipment, machinery and facilities	30.00%	12,000,000	8,820,000	Note b	10.43%		
Becky Agric Resources Co., Limited	Organic farming and agriculture business	30.00%	12,000,000	12,000,000	Note c	14.19%		
Total			72,999,595	53,889,224	900	63.73%		

* The Company held only nine investments as at the year end of 2009.

LETTER FROM THE BOARD

As at 31 December 2008**

Name of securities	Brief description of the business	Proportion of share capital owned %	Cost HK\$	Market value HK\$ (Note a)	Dividend received/ receivable during the year HK\$	Net assets attributable to the investment %	Profit/(loss) for the year (\$'000)	Net assets of the investee companies (\$'000)
Investment in companies whose shares are listed on the Stock Exchange:								
Culturecom Holdings Limited (Note e)	Publishing	0.24%	3,509,263	510,881	—	1.03%	(49,565)	724,786
Mobile Telecom Network (Holdings) Limited (Note e)	Provision of mobile and internet communication telecommunications	1.93%	2,649,277	867,160	—	1.75%	373	26,460
China Solar Energy Holdings Limited (Note e)	Manufacture and sale of photovoltaic business	0.57%	14,527,765	1,422,150	—	2.87%	(216,319)	304,544
REXLot Holdings Limited (Note d)	Provision of lottery machines and related services and financial services	0.01%	22,296	93,000	900	0.19%	290,801	3,060,555
China Bio Cassava Holdings Limited (Note d)	Development and sale of computer software	3.78%	11,416,390	6,490,000	—	13.09%	(12,978)	25,029
Investment in companies whose shares are listed on the Australian Securities Exchange:								
ViaGOLD Capital Limited (Note e)	Investment holding, property development and leasing and capital financing	9.41%	11,727,980	8,308,411	—	16.75%	11,737	9,622
Direct investment in private companies:								
Dyxnet Holdings Limited	Provision of internet services	3.72%	4,000,000	1,380,000	—	2.78%		
北京華寶時代國際設備租賃有限公司	Leasing of equipment, machinery and facilities	30.00%	12,000,000	8,820,000	Note b	17.78%		
Becky Agric Resources Co., Limited	Organic farming and agriculture business	30.00%	12,000,000	12,000,000	Note c	24.19%		
Total			71,852,971	39,891,602	900	80.43%		

** The Company held only nine investments as at the year end of 2008.

Notes:

- a. Except for the investment in Becky Agric Resources Co., Limited, all investments are stated at fair values at the relevant date.
- b. 北京華寶時代國際設備租賃有限公司 generated unaudited profit for the year ended 31 December 2010 and no dividend was declared or received from the investment in 北京華寶時代國際設備租賃有限公司 for the years ended 31 December 2010, 31 December 2009 and 31 December 2008. Nevertheless, pursuant to the sale and purchase agreement dated 28 November 2007, the vendor of 北京華寶時代國際設備租賃有限公司 has provided a guarantee to the Company for an annual return of not less than HK\$2,640,000 for each of the three years ended 31 December 2008, 2009 and 2010 respectively. The Company has recorded and subsequently received the investment return of HK\$2,640,000 from the counterparty for the years ended 31 December 2010, 31 December 2009 and 31 December 2008.

LETTER FROM THE BOARD

- c. No dividend was declared or received from the investment in Becky Agric Resources Co., Limited for the years ended 31 December 2008, 31 December 2009 and 31 December 2010. However, pursuant to the original co-operation agreement dated 31 December 2007, the counterparty has provided a guarantee to the Company for an annual return of not less than HK\$2,640,000 for each of the five years ended 31 December 2008, 2009, 2010, 2011 and 2012 respectively. The Company has recorded and subsequently received the investment return of HK\$2,640,000 from the counterparty for the years ended 31 December 2008, 31 December 2009 and 31 December 2010.
- d. The companies' financial year ended 31 December.
- e. The companies' financial year ended 31 March.

Set out below are the top ten largest investments bought by the Company for the period from 1 January 2011 to the Latest Practicable Date and the year ended 31 December 2010, respectively:

From 1 January 2011 to the Latest Practicable Date, the Company only bought two listed securities:

Name of securities

AIA Group Limited (Stock code: 1299)
Datronix Holdings Limited (Stock code: 889)

For the year ended 31 December 2010, the Company only bought nine listed securities:

Name of securities

China Shenhua Energy Company Limited — H Shares (Stock code: 1088)
PetroChina Company Limited — H Shares (Stock code: 857)
China Construction Bank Corporation — H Shares (Stock code: 939)
China Shenhua Energy Company Limited — H Shares (Stock code: 1088)
China Overseas Land & Investment Limited (Stock code: 688)
Industrial and Commercial Bank of China Limited — H Shares (Stock code: 1398)
China Coal Energy Company Limited — H Shares (Stock code: 1898)
AIA Group Limited (Stock code: 1299)
Culturecom Holdings Limited (Stock code: 343)

Set out below are the top three loss-making investments of the Company for the period from 1 January 2011 to the Latest Practicable Date and the year ended 31 December 2010, respectively:

From 1 January 2011 up to the Latest Practicable Date, the Company did not have any realized loss-making investments.

For the year ended 31 December 2010, the Company did not have any realized loss-making investments, other than the provision for impairment of HK\$107,000 made to the investment in Dyxnet Holdings Limited for the year ended 31 December 2010.

LETTER FROM THE BOARD

Investments with the most unrealized investment loss:

For the period 1 January 2011 to 20 May 2011:

ViaGold Capital Limited (Stock code: ASX: VIA) ^{Note}

China Bio Cassava Holdings Limited (Stock code: 8129)

China Solar Energy Holdings Limited (Stock code: 155)

As at 31 December 2010:

China Bio Cassava Holdings Limited (Stock code: 8129)

China Solar Energy Holdings Limited (Stock code: 155)

China Shenhua Energy Company Limited — H Shares (Stock code: 1088)

Note: Company whose shares are listed on the Australian Securities Exchange.

As at the Latest Practicable Date, Mr. Tsang Wai Wa was interested in 2,505,420 shares in China Bio Cassava Holdings Limited (stock code: 8129) and 2,865,000 shares in China Solar Energy Holdings Limited (stock code: 155).

Mr. Tsang Wai Wa has been an independent non-executive director of Culturecom Holdings Limited (stock code: 343) since November 2009 and Mr. Shiu Kwok Keung, a former Director, was an independent non-executive director of China Bio Cassava Holdings Limited between 22 September 2006 and 14 May 2011.

Save as abovementioned, the Company has confirmed that in the past three years and as at the Latest Practicable Date, there were no cross shareholdings between the Company and its substantial shareholders and/or its major investments, there were no common investments made by the Company and its directors, and there were no common directorships held by the Company's directors in its substantial shareholders and/or major investments.

REASONS FOR THE OPEN OFFER AND THE USE OF PROCEEDS

The gross proceeds from the Open Offer are approximately HK\$58.2 million. The net proceeds from the Open Offer after deducting for expenses are estimated to be approximately HK\$56.3 million. The Company is an investment vehicle which is principally engaged in investment in listed and unlisted companies in Greater China, Australia and the US. Leveraging the extensive capital market experience of the newly appointed executives, the Company is open to new investment opportunities and has decided to further expand its investment portfolio in potentially high growth investment projects in Greater China or other countries that the Board may think fit. The Company intends to utilize the net proceeds from the Open Offer for future possible investments when such opportunities are identified. The Company is currently in preliminary negotiations with certain potential investment opportunities in finance and manufacturing and their related industries and will continue to explore suitable investment opportunities. Save as disclosed herein, at present, there are no other specific investments contemplated by the Company.

LETTER FROM THE BOARD

FUND-RAISING EXERCISE OF THE COMPANY DURING THE PAST TWELVE MONTHS

Apart from the fund-raising activities mentioned below, the Company did not conduct other equity fund-raising exercises in the 12 months immediately preceding the date of this Prospectus.

Date of initial announcement	Fund-raising activity	Net proceeds raised (approximately)	Intended use of net proceeds as announced	Actual use of net proceeds
8 April 2011	Placing of Shares of HK\$0.001 each at the placing price of HK\$0.112 per 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 in the bank accounts of the Company and potential investments to be identified

FINANCIAL AND TRADING PROSPECTS OF THE COMPANY

The car-leasing industry in the PRC continues to show promises as many corporations are now turning to leasing cars rather than buying them. Added to this is the fact that the cost of buying a car has increased. A lot of Chinese consumers cannot afford to buy a car at present, so they are becoming potential car renters. The emergence of the young driver segment with limited purchasing power is also a new source of revenue generation for automobile rental companies. Whilst the car-leasing industry in the PRC is still in the primary stage of development, the Company believes that the car-leasing business in our investment portfolio would continue to develop and grow.

The increasing global awareness of health and environmental issues is driving the growth of the market share of organic food in the food industry. In particular, the requirement for food safety by the middle class in the PRC has significantly increased in recent years. The organic agriculture project in our investment portfolio transforms the agriculture and husbandry industry with the application of biotechnology to facilitate the practice of organic farming. It removes the use of chemical fertilizers, hormones and antibiotics in farming and husbandry and effectively raises the quality and added-value of the products. Our project diversified its organic agriculture production to include grains, vegetable and fruit, pork and chicken etc. Though the sales outlets of these products are currently concentrated in Guangdong province, the project is expected to develop in a faster pace given the great room for growth in this market.

The Company continuously looks for investment opportunities, especially in the electric-powered cars industry. With the ongoing support for the industry from governments around the world, infrastructures for electric-powered cars are being built and the network for charging points is expanding. This in effect lays down the foundations for the electric-powered cars industry and creates business opportunities in the technology development of battery performance, battery management and recharging equipment for electric-powered cars. We intend to capitalize on the opportunities with strategic partners.

The financial position of the Company remains strong with sufficient cash reserves available for investment and expansion. The gearing ratio of the Company remains at a low level and the Company does not have any borrowings.

LETTER FROM THE BOARD

PROCEDURES FOR ACCEPTANCE OF AND PAYMENT FOR THE OFFER SHARES

An Application Form is enclosed with this Prospectus which entitles the Qualifying Shareholders to accept any number of Offer Shares allocated to them based on their shareholding as at the Record Date. If you are a Qualifying Shareholder and you wish to apply for any number of Offer Shares in your assured entitlement of Offer Shares to which you are entitled, you must complete, sign and lodge the Application Form in accordance with the instructions printed thereon, together with remittance for the aggregate subscription price in respect of such number of Offer Shares you have accepted with our Hong Kong share registrar, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong by not later than 4:00 p.m. on Monday, 13 June 2011. All remittance must be made in full and in Hong Kong dollars and cheques or cashier's orders must be drawn on a bank account in Hong Kong and made payable to "Opes Asia Development Limited — Open Offer Account" and crossed "Account Payee Only" for the application.

It should be noted that unless the duly completed and signed Application Form, together with the appropriate remittance(s), has been lodged with the registrar by not later than 4:00 p.m. on Monday, 13 June 2011, all rights and entitlements under the Application Form will be deemed to have been declined and will be cancelled.

If the conditions of the Underwriting Agreement are not fulfilled or the Underwriting Agreement is terminated in accordance with its terms and conditions, the (relevant part of) subscription monies will be refunded, without interest, by sending a cheque made out to the relevant Shareholders named on the Application Form (or in the case of joint Shareholders, to the first-named Shareholder) and crossed "Account Payee Only", through ordinary post at the risk of the relevant Shareholder(s) to the address specified in the register of members of the Company on or before Monday, 20 June 2011.

The Application Form contains full information regarding the procedures to be followed if you wish to apply for Offer Shares fewer than your assured entitlement.

All cheque(s) or cashier's order(s) will be presented for payment upon receipt and all interests earned on such monies (if any) will be retained for the benefit of the Company. Any application in respect of which the cheque(s) or cashier's order(s) is dishonoured on first presentation is liable to be rejected, and in that event all rights and entitlements under the Application Form will be deemed to have been declined and will be cancelled.

The Application Form is for use only by the person(s) named therein and is not transferable. No receipt will be issued in respect of any subscription monies for the Offer Shares received.

POSSIBLE ADJUSTMENTS TO THE SHARE OPTIONS

As at the Latest Practicable Date, the Company had 1,662,800,000 Shares in issue and had outstanding Share Options entitling the holders thereof to subscribe for an aggregate of 213,360,000 new Shares.

The Open Offer may lead to adjustments to the exercise price and/or the number of Shares to be issued upon exercise of the Share Options. The Company will notify the holders of Share Options regarding adjustments to be made (if any) pursuant to the terms of the Share Option Scheme.

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

Your attention is drawn to the Appendices to this Prospectus for additional information.

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

FINANCIAL INFORMATION

The audited financial statements of the Company for the year ended 31 December 2008, 31 December 2009 and 31 December 2010, including the notes thereto, were published in the annual reports of the Company for the years ended 31 December 2008 (pages 20 to 59), 31 December 2009 (pages 21 to 71) and 31 December 2010 (pages 18 to 63) respectively, which are incorporated by reference into the Prospectus. The said annual reports of the Company are available on the Company's website at www.irasia.com/listco/hk/opesasia and the website of the Stock Exchange at www.hkexnews.hk.

INDEBTEDNESS**Borrowings**

As at the close of business on 30 April 2011, being the latest practicable date for the purpose of ascertaining the indebtedness of the Company prior to the printing of this Prospectus, the Company had no outstanding loans or borrowings.

Contingent liabilities

As at 30 April 2011, the Company did not have any material contingent liabilities.

Disclaimer

The Company did not have, as at 30 April 2011, any debt securities issued and outstanding or authorised or otherwise created but issued, term loans, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

WORKING CAPITAL

The Board, after due and careful enquiry, is of the opinion that, in the absence of unforeseeable circumstances and after taking into account the Company's present available internal resources, the Company has sufficient working capital for its normal business for at least the next 12 months from the date of publication of this Prospectus.

MATERIAL CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Company since 31 December 2010, being the date of which the latest published audited financial statements of the Company were made up.

1. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED NET TANGIBLE ASSETS OF THE COMPANY

The unaudited pro forma statement of adjusted 831,400,000 Offer Shares net tangible assets of the Company prepared in accordance with Rule 4.29 of the Listing Rules is set out below to illustrate the effect of the issue of the Company (the “Shares”) at HK\$0.07 each on the basis of one Offer Share for every two Shares held on the net tangible assets of the Company as if the Open Offer had been completed on 31 December 2010.

The unaudited pro forma statement of adjusted net tangible assets of the Company has been prepared for illustrative purpose only, and because of its hypothetical nature, it may not give a true picture of the financial position of the Company had the Open Offer been completed as at 31 December 2010 or any future date.

The following is an unaudited pro forma statement of adjusted net tangible assets of the Company based on the net tangible assets of the Company as at 31 December 2010 and adjusted for the effect of the Open Offer.

Net tangible assets of the Company as at 31 December 2010 <i>(Note 1)</i> HK\$	Estimated net proceeds from the Open Offer <i>(Note 2)</i> HK\$	Unaudited pro forma adjusted net tangible assets of the Company as at 31 December 2010 immediately after completion of the Open Offer HK\$	Net tangible assets of the Company per Share as at 31 December 2010 prior to completion of the Open Offer <i>(Note 3)</i> HK\$	Unaudited pro forma adjusted net tangible assets of the Company per Share as at 31 December 2010 immediately after completion of the Open Offer <i>(Note 4)</i> HK\$
<u>97,067,659</u>	<u>56,300,000</u>	<u>153,367,659</u>	<u>0.0595</u>	<u>0.0623</u>

Notes:

- The amount represents the net tangible assets of the Company as at 31 December 2010 which were extracted from the audited statement of financial position of the Company as at 31 December 2010 as set out in the annual report of the Company for the year ended 31 December 2010.
- The estimated net proceeds from the Open Offer of approximately HK\$56.3 million are based on 831,400,000 new Shares to be issued at HK\$0.07 each, after deduction of estimated underwriting commission, legal and professional fees and other related expenses of approximately HK\$1.9 million to be incurred by the Company.
- The net tangible assets of the Company per Share prior to completion of the Open Offer is based on 1,630,200,000 Shares in issue as at 31 December 2010.

4. The unaudited pro forma adjusted net tangible assets of the Company per Share immediately after completion of the Open Offer is calculated based on the unaudited pro forma adjusted net tangible assets of the Company immediately after completion of the Open Offer and on the basis of 2,461,600,000 Shares in issue or to be issued, comprising 1,630,200,000 Shares in issue as at 31 December 2010 and Offer Shares to be issued.

5. The above adjustment does not take into account the following transaction subsequent to 31 December 2010:

— the net proceeds of approximately HK\$3.4 million from placement of 32,600,000 Shares on 28 April 2011.

If the effects of this transaction were taken into account,

- the unaudited pro forma adjusted net tangible assets of the Company attributable to owners of the Company immediately after completion of the Open Offer would have been increased to approximately HK\$156,767,659; and
- the unaudited pro forma adjusted net tangible assets of the Company attributable to owners of the Company per share immediately after completion of the Open Offer would have been approximately HK\$0.0629 which is calculated based on 2,494,200,000 Shares in issue or to be issued.

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

The following is the text of the report, prepared for the sole purpose of inclusion in this Prospectus, received from the reporting accountants, FTW & Partners CPA Limited, Certified Public Accountants, Hong Kong, in respect of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Company set out in this appendix.



The Directors
Opes Asia Development Limited
3604B, 36/F, Tower 2,
Lippo Centre, Admiralty,
Hong Kong

26 May 2011

Dear Sirs,

We report on the unaudited pro forma statement of adjusted net tangible assets of Opes Asia Development Limited (the “Company”), which has been prepared by the directors of the Company, for illustrative purpose only, to provide information about how the proposed open offer of 831,400,000 offer shares at HK\$0.07 each on the basis of one share for every two shares held might have affected the unaudited pro forma statement of adjusted net tangible assets of the Company presented for inclusion in Section 1 of Appendix II to the prospectus issued by the Company dated 26 May 2011 (the “Prospectus”). The basis of preparation of the unaudited pro forma statement of adjusted net tangible assets of the Company is set out on pages 24 and 25 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 statement of adjusted net tangible assets of the Company in accordance with Rule 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 (the “HKICPA”).

It is our responsibility to form an opinion, as required by Rule 4.29(7) of the Listing Rules, on the unaudited pro forma statement of adjusted net tangible assets of the Company 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 statement of adjusted net tangible assets of the Company beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Basis of opinion

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 “Accountants’ Reports on Pro Forma Financial Information in Investment Circulars” issued by the HKICPA. Our work consisted primarily of comparing the unadjusted financial information with source documents, considering the evidence supporting the adjustments and discussing the unaudited pro forma statement of adjusted net tangible assets of the Company with the Directors of the Company. This engagement did not involve an 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 statement of adjusted net tangible assets of the Company 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 Company and that the adjustments are appropriate for the purpose of the unaudited pro forma statement of adjusted net tangible assets of the Company as disclosed pursuant to Rule 4.29(1) of the Listing Rules.

The unaudited pro forma statement of adjusted net tangible assets of the Company is for illustrative purpose only, based on the judgments and assumptions made by 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 future and may not be indicative of the financial position of the Company as at 31 December 2010 or any future date.

Opinion

In our opinion:

- the unaudited pro forma statement of adjusted net tangible assets of the Company has been properly compiled by the Directors of the Company on the basis stated;
- such basis is consistent with the accounting policies of the Company; and
- the adjustments are appropriate for the purposes of the unaudited pro forma statement of adjusted net tangible assets of the Company as disclosed pursuant to Rule 4.29(1) of the Listing Rules.

Yours faithfully
FTW & Partners CPA Limited
Certified Public Accountants
Hong Kong
Ho Cheung Kong
Practising Certificate Number: P5214

This appendix serves as an additional disclosure requirement pursuant to Rule 21.09 of Listing Rules in connection with the listing document of the Company. This appendix includes particulars given in compliance with the Listing Rules for the purpose of giving information to the public with regard to the Company.

INVESTMENT MANAGEMENT INFORMATION

Investment Manager

China International Capital Limited
Room 1002, 10/F, The Chinese Bank Building
61-65 Des Voeux Road Central
Central
Hong Kong

Directors of the Investment Manager

Ms. Huang Aiming
Room 1002, 10/F, The Chinese Bank Building
61-65 Des Voeux Road Central
Central
Hong Kong

Ms. He Qingmei
Room 1002, 10/F, The Chinese Bank Building
61-65 Des Voeux Road Central
Central
Hong Kong

Ms. Wang Xiumin
Room 1002, 10/F, The Chinese Bank Building
61-65 Des Voeux Road Central
Central
Hong Kong

Custodian

Standard Chartered Bank (Hong Kong) Limited
15/F, Standard Chartered Tower
388 Kwun Tong Road
Kowloon
Hong Kong

THE INVESTMENT MANAGER

China International Capital Limited (the “**China International Capital**”) has provided investment management services to the Company since 4 May 2011. The Board is of the view that the investment experience of China International Capital and its responsible officers is relevant to the investment strategies of the Company and that its investment experience and expertise will be beneficial to the Company and its Shareholders as a whole.

China International Capital, a company incorporated in Hong Kong with limited liability under the Companies Ordinance on 21 December 1993, is principally engaged in the business of investment management and a licensed corporation which carries out Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO.

The following are the directors of China International Capital:

Ms. Huang Aiming (“Ms. Huang”)

Ms. Huang holds a licence to carry on Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO. She obtained a Bachelor’s degree in Mathematics from Xiamen University in the PRC in 1992, a Postgraduate degree in Economics from the Communist Party School in Guangdong in 1999 and a Master’s degree in Economics from Xiamen University in 2008. Since August 2006, she has been an executive director of China International Capital in charge of the investment policy and management of two private equity investment funds registered at the Cayman Islands Monetary Authority. Ms. Huang worked in the banking and financial industry in the PRC since graduation in 1992. She accumulated over thirteen years of operational and management experience with Agricultural Bank of China in Shenzhen. She was accredited with the “Nation’s best young practitioner in financial system” award in 2001 in recognition of her outstanding performance in the industry. Ms. Huang is the spouse of Mr. Yang Yongdong, the Chief Executive Officer and executive director of the Company.

Ms. He Qingmei

Ms. He was appointed a director of China International Capital in December 2010. She graduated from Chang Sha Polytechnic University majoring in international trade and economics in 2006. She is currently a researcher in Finance, a programme jointly organized by Shenzhen University and Liaoning University. Ms. He is a certified financial planner certified by The Chinese Institute of Certified Financial Planner in 2010.

Ms. Wang Xiumin

Ms. Wang was appointed a director of China International Capital in December 2010. She graduated from Shandong Youth Management College majoring in accountancy in 1997 and is currently an accountant at Joint China International Investment Co. Ltd. in Shenzhen. She is a certified financial planner by The Chinese Institute of Certified Financial Planner.

Save as abovementioned and to the best of knowledge, information and belief of the Directors, as at the Latest Practicable Date, there was no common investments made by the Company and the investment manager; there was no common directorship between the Company and the investment manager; and there was no common directorship between the Company’s top ten investments and the investment manager.

THE CUSTODIAN

Standard Chartered Bank (Hong Kong) Limited was appointed as the custodian in relation to the investments which the Company may from time to time deposit with the Custodian.

The Directors confirm that none of the directors of the Company, China International Capital, any investment adviser or any distribution company, or any associate of any of those persons, is or will become entitled to receive any part of any brokerage charged to the investment company, or any reallocation of other types on purchases charged to the investment company.

RISKS RELATING TO THE COMPANY

The Company is an investment company and is principally engaged in investing in listed and unlisted companies in Greater China, Australia and any other countries as the Board may direct from time to time. These investments will be subject to market fluctuations and to the risks inherent in all investments. Investors should also be aware that the Company's income and its net asset value are liable to be adversely affected by external factors beyond the control of the Company. As a result, the income of the fund and its net asset value may therefore go down as well as go up, subject to the prevailing market conditions.

INVESTMENT OBJECTIVES

The Company is an investment company with the primary objective of achieving medium to long-term capital appreciation as well as generating income from interests and dividends by investing in listed and unlisted companies in the Greater China, Australia and any other countries as the Board may direct from time to time.

INVESTMENT POLICIES

The Company has adopted the following investment policies:

- A substantial portion of investment will be made in listed and unlisted companies in Greater China having substantial operations in the PRC. To a lesser extent, the Company may also invest in other countries should the Directors consider that such investments would provide attractive returns.
- Investments will normally be made in the form of equity-related securities and/or debt securities in listed and unlisted companies in Greater China or other countries as the Board may direct that are engaged in different industries including (but not limited to) manufacturing, bio-technology, services, telecommunication, technology, infrastructure, pharmaceuticals and property sectors aiming at maintaining a balance in the Company's exposure to different industry sectors.
- The Company will seek to identify entities with a record of profit growth, strong management, high levels of technical expertise and research and development capabilities as well as management commitment to long-term growth. However, the Company is flexible in considering investments in companies or other entities which are considered by the Board and the Company's investment manager as being special or in recovery situations.

- Where possible, the Board and the investment manager would seek to identify investments where there is a certain degree of synergy with other investee companies and where cooperation between such companies would be of mutual benefit to each other.
- The investments are intended to be held for medium-term to long-term capital appreciation. The actual holding period will be dependent on the return from investment and the potential of listing on the Stock Exchange or other internationally recognised stock exchanges. The Company will, however, realise investments where the Board believes the realisation would be in the best interests of the Company or where the terms on which such realisation can be made are considered by the Board as particularly favourable to the Company.

INVESTMENT RESTRICTIONS

Under the Bye-laws and the Listing Rules relating to the listing of investment companies, certain restrictions on investments are imposed on the Company. The Board has resolved that the Company may not:

1. either itself or through its wholly-owned subsidiaries or in conjunction with any connected person take legal, or effective, management control of underlying investments and in no event will the Company itself or through its wholly-owned subsidiaries own or control more than 30% (or such other percentage as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer) of the voting rights in such company or other entity, except in relation to such wholly-owned subsidiaries of the Company;
2. invest in any company or entity other than wholly-owned subsidiaries of the Company if such investment will result in more than 20% of the Net Asset Value being invested in such company or entity as at the date the investment is made;
3. buy or sell commodities, commodity contracts or precious metals, except that it may purchase and sell future contracts on stock indices and securities which are secured by commodities or precious metals; and
4. invest more than 30% of the company's assets outside Greater China to the extent of contravening its primary objective of achieving medium- to long-term capital appreciation by investing in listed and unlisted companies in Greater China.

The Company has to comply with investment restrictions 1 and 2 above at all times while it remains listed as an investment company under Chapter 21 of the Listing Rules. Investment restrictions 3 and 4 cannot be changed for at least three years from the date of the prospectus of the Company issued in 2002 without the approval of Shareholders by way of an ordinary resolution.

The Board has no present intention to change any of the above-mentioned investment restrictions.

Save for the unlisted securities, as at the Latest Practicable Date, the Company has no present intention to invest in options, warrants, commodities, futures contracts or precious metals.

BORROWING POWER

Pursuant to the provision of the Bye-laws, the Company may exercise its borrowing power to borrow up to an aggregate principal amount for the time being remaining discharged of all money borrowed by the Company not exceeding 50% of the Net Asset Value. The Company's assets may be charged or pledged as security for borrowing.

DISTRIBUTION POLICY

It is the Board's intention to distribute any excess balance by way of dividend to the extent permitted by law, the memorandum of continuance of the Company and the Bye-laws. Dividends will only be paid to the extent that they are covered by net income received from underlying investments. Distribution will be made annually after the annual accounts of the Company are approved by the Shareholders but interim distribution may be made from time to time to Shareholders as appeared to the Board to be justified by the position of the Company. Distributions will be made in HK\$.

FOREIGN CURRENCY MANAGEMENT AND EXCHANGE CONTROL

The Company has investment in a company listed on the Australian Securities Exchange, whose net assets are exposed to foreign currency translation risk with respect to Australian dollars. The Company currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The Company does not have a significant exposure to foreign currency risk as most of its investments are denominated in Hong Kong dollars. The foreign currency exchange rate fluctuations in connection with the Company's foreign currency denominated at financial assets at fair value through profit or loss are not significant.

To the best knowledge, information and belief of the Directors, there are no foreign exchange controls in force in Australia.

TAXATION

The taxation of income and capital gains of the Company are subject to the fiscal law and practice of Hong Kong. Prospective investors should consult their own professional advisers on the tax implications of investing, holding or disposing of Shares under the laws of the jurisdiction in which they are liable to taxation.

FEES AND EXPENSES

The Company will pay the fees of its investment manager and the custodian, as described below. In addition, the Company will pay certain other costs and expenses incurred in its operation, including taxes, expenses for legal, auditing and consulting services, registration fees and other expenses due to supervisory authorities in various jurisdictions, insurance, interest and brokerage cost.

INVESTMENT MANAGEMENT FEES

Pursuant to the investment management agreement dated 4 May 2011, the Company will pay to China International Capital a management fee and a performance fee as described below:

Management Fee

China International Capital will be entitled to receive from the Company out of the Assets a management fee accruing monthly at the annual rate of 2% of the Net Asset Value on each Valuation Date and payable monthly in arrears.

Performance Fee

China International Capital will also be entitled to receive from the Company out of the Assets a performance fee calculated at the rate of 15% of any net appreciation (after the deduction of the management fee for the relevant period, but prior to the deduction of the performance fee) in the Net Asset Value of the Company on the immediately preceding Valuation Date, above the previous Net Asset Value of the Company on any preceding Valuation Date in respect of which a performance fee was last paid (or where no performance fee has been paid, the Net Asset Value of the Company on any Valuation Date on 30 June or 31 December (as the case may be) whichever is immediately before the commencement of the investment management agreement. In any case, no Performance Fee shall be payable to China International Capital if the Net Asset Value per Share (being the Net Asset Value as at 30 June or 31 December (as the case may be) of the relevant year divided by the number of Shares in issue at such date) is less than HK\$0.0595 (being the audited Net asset value as at 31 December 2010 divided by the number of shares issued at that date).

Annual Cap for the Investment Manager's Fees

In any case, the maximum annual aggregate amount of the management fee and the performance fee shall not exceed HK\$4,000,000.

CUSTODIAN FEES

Pursuant to the custodian agreement dated 29 April 2002, the Company will pay the custodian such reasonable fees, costs and expenses in respect of the custodian account as may from time to time be prescribed by the custodian. All fees, costs and expenses of the custodian shall accrue on a daily basis. The Company also agrees to pay all costs, taxes, expenses and fees (including any applicable fees of any clearing house) in connection with or arising out of the operation of the custodian account.

INVESTMENT PORTFOLIO

The following are the details of the investments of the Company as at 31 December 2010, which include all listed investments and all other investments with a value of more than 5% of the Company's gross assets as at 31 December 2010. Save for the investments disclosed herein, there are no other listed investments and all other investments with a value of more than 5% of the Company's gross assets as at 31 December 2010.

Name of investee company	Number of shares held	Proportion of share capital owned %	Costs HK\$	Market value* HK\$	Unrealised gain (loss) arising on revaluation HK\$	Dividend received/receivable during the year HK\$
(i) China Bio Cassava Holdings Limited	295,000,000	3.6%	11,416,390	17,995,000	6,578,610	—
(ii) ViaGOLD Capital Limited	1,191,000	3.89%	11,727,980	17,139,943	5,411,963	—
(iii) 北京華寶時代國際設備租賃有限公司	Note (iii)	30.00%	12,000,000	8,820,000	(3,180,000)	Note (iii)
(iv) Becky Agric Resources Co., Limited	3,000	30.00%	12,000,000	12,000,000	—	Note (iv)

* Except for the investment in BARL, all investments are stated at fair values.

Notes:

- (i) China Bio Cassava Holdings Limited (“CBCHL”) is principally engaged in the development and sale of computer software. For the year ended 31 December 2010, the audited consolidated loss from ordinary activities attributable to shareholders of CBCHL was approximately HK\$5,425,000 and the basic loss per share was HK\$0.07. At 31 December 2010, the audited consolidated net asset value of the CBCHL was approximately HK\$13,163,000. No dividend was received during the year.
- (ii) ViaGOLD Capital Limited (“ViaGOLD”) is principally engaged in investment holding, property development and leasing and capital financing. For the year ended 31 March 2010, the audited consolidated profit from ordinary activities attributable to shareholders of ViaGOLD was approximately AUD2,633,000 and the basic earnings per share was AUD0.20. At 31 March 2010, the audited consolidated net asset value of the ViaGOLD was approximately AUD4,703,000. No dividend was received during the year.
- (iii) 北京華寶時代國際設備租賃有限公司 (“北京華寶”) is principally engaged in the leasing of equipment, machinery and facilities. 北京華寶 generated unaudited profit for the year ended 31 December 2010 and no dividend was declared or received from the investment in 北京華寶 for the year ended 31 December 2008, 31 December 2009 and 31 December 2010. Capital contributed by the Company was US\$780,000, representing 30% of the total issued capital of 北京華寶. Nevertheless, pursuant to the sale and purchase agreement dated 28 November 2007, the vendor of 北京華寶 has provided a guarantee to the Company for an annual return of not less than HK\$2,640,000 for each of the three years ended 31 December 2008, 2009 and 2010 respectively. The Company has recorded and subsequently received the investment return of HK\$2,640,000 from the counterparty for the year ended 31 December 2008, 31 December 2009 and 31 December 2010.
- (iv) Becky Agric Resources Co., Limited (“BARL”) is principally engaged in organic farming and agriculture business. No dividend was declared or received from the investment in BARL for the year ended 31 December 2008, 31 December 2009 and 31 December 2010. However, pursuant to the original co-operation agreement dated 31 December 2007, the counterparty has provided a guarantee to the Company for an annual return of not less than HK\$2,640,000 for each of the five years ended 31 December 2008, 2009, 2010, 2011 and 2012 respectively. The Company has recorded and subsequently received the investment return of HK\$2,640,000 from the counterparty for the year ended 31 December 2008, 31 December 2009 and 31 December 2010.

AVAILABLE-FOR-SALE INVESTMENTS

The details of the available-for-sale investments of the Company as at 31 December 2010 are as follows:

	2010 HK\$	2009 HK\$
Non-current position		
At the beginning of the year	20,927,000	22,200,000
Impairment	(107,000)	(613,000)
Fair value gain transfer (from)/to equity	<u>—</u>	<u>(660,000)</u>
At the end of the year	<u>20,820,000</u>	<u>20,927,000</u>

There were no disposals on available-for-sale financial assets in 2010 or 2009.

Available-for-sale financial assets included the following:

	2010 HK\$	2009 HK\$
Unlisted securities		
— Unlisted securities — the Cayman Islands (<i>note a</i>)	—	107,000
— Unlisted securities — the PRC (<i>note b</i>)	8,820,000	8,820,000
— Unlisted securities — Hong Kong (<i>note c</i>)	<u>12,000,000</u>	<u>12,000,000</u>
	<u>20,820,000</u>	<u>20,927,000</u>

All the available-for-sale financial assets are denominated in Hong Kong dollars.

The fair values of the investments in Dyxnet Holdings Limited (“Dyxnet”) (*note a*) and 北京華寶 (*note b*) as at 31 December 2010 were arrived at on the basis of business valuations carried out on that date by Roma Appraisals Limited (2009: Roma Appraisals Limited), independent qualified professional valuers not connected with the Company. The valuations were arrived at by reference to the income approach.

The investment in BARL (*note c*) is stated at cost less any impairment.

Notes:

- a. The Company held 5,735 issued ordinary shares in Dyxnet as at 31 December 2010. By reference to the management accounts of the Dyxnet for the year ended 31 December 2009, it represents approximately 0.23% of the total issued ordinary shares of Dyxnet. In 2009, the significant dilution of the equity percentage of the Company had been attributable to the issue of 2,334,567 shares to the directors and employees of Dyxnet under a share option scheme. There were dilutive instruments of 32,324,967 series A-1 convertible preference shares and 179,582 share options outstanding in the books of Dyxnet which may lead to further dilution of the Company’s equity interests in Dyxnet as at 31 December 2009. The Directors considered that the interest in Dyxnet has been diluted and therefore an impairment loss of HK\$107,000 was further recognized in the income statement for the year.

- b. 北京華寶 is engaged in the car-leasing business. During the year under review, 北京華寶 acquired property in Beijing for leasing purposes.
- c. On 31 December 2007, the Company entered into a co-operation agreement with Harvest Smart Becky Agric-Bio Technology Limited (Formerly known as Becky Agric Bio Energy Co., Limited) (“**Harvest Smart BAB**”), an independent third party which wished to form a wholly foreign owned enterprise (the “**WFOE**”), which will be engaged in the production of organic agricultural products, promotion of organic farming and operation of an organic theme park in the PRC. As at 31 December 2007, the Company paid a deposit of HK\$12 million for the investment to Harvest Smart BAB. Pursuant to the co-operation agreement, Harvest Smart BAB has provided a guarantee to the Company for an annual return of not less than HK\$2,640,000 for each of the five years ended/ending 31 December 2008, 2009, 2010, 2011 and 2012 respectively

In January 2008, Harvest Smart BAB started its organic farming project and signed a sub-contracting contract with Guangdong Conghua City Lu Town Investment Service Centre (“**GCCL**”) for the usage of land. In October 2008, Harvest Smart BAB informed the Company that the organic farming project in Conghua City was terminated because GCCL could not fulfill the contract terms. In December 2008, Harvest Smart BAB informed the Company that the organic farming project would be restarted in Guangdong Luoding City. Pursuant to a supplemental agreement, the Company still enjoys 30% of return of this organic farming operation in the future and Harvest Smart BAB continues to provide profit guarantee to the Company according to the original co-operation agreement.

For the new organic farming project in Luoding City, an investee company, BARL was incorporated in Hong Kong in June 2008. BARL allotted 3,000 ordinary shares, representing 30% equity interests of BARL at a consideration of HK\$12,000,000 to the Company and 70% equity was allotted to Harvest Smart BAB on incorporation.

BARL commenced its organic farming business by investing in an organic farm in Guangdong Luoding City since 2009 and extended their organic products to market during the year ended 31 December 2010; the investment return received through the guarantee profit provided by Harvest Smart BAB is HK\$2,640,000 each for the years of 2009 and 2010.

After due consideration of the relevant documents and review of the financial position and management forecast of BARL, the Board confirms that BARL has sufficient net assets value and will be generating positive returns to the Company, no impairment provision for the investment is considered necessary as at 31 December 2010.

PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS

As at 31 December 2007, the Company paid a deposit of HK\$3 million to an independent third party (the “**vendor**”) for the purchase of 20% equity interests in an unlisted company, 廣州星越航空服務有限公司 (“**廣州星越**”) (the “**Acquisition**”). 廣州星越 was incorporated in the PRC as a limited liability company with a registered capital of RMB3,800,000. The principal activity of 廣州星越 is the provision of consultancy services on navigation. Other than the aforesaid HK\$3 million, the Company did not have to inject any further funds into this project until the vendor completed certain preliminary works as explained below.

To complete the Acquisition, the vendor was required to complete preliminary works including changing 廣州星越 from a domestic private enterprise to a Sino-foreign equity joint venture company (“**SFEJV**”) and facilitating the SFEJV to obtain a formal business licence which allows the SFEJV to (i) act as an air freight forwarding agent and (ii) provide air freight forwarding enterprise management consultancy service on or before 20 September 2008. On 1 September 2009, the Board extended the period of preparing preliminary works to 20 September 2009 to the vendor after reconsidering the investment potential of the Acquisition.

Since the vendor failed to complete the aforesaid preliminary works by the prescribed time, the Company decided to terminate the Acquisition and requested for the refund of the deposit together with an interest calculated at HSBC’s best lending rate. The management kept on following up the status with

the vendor and requested the vendor to confirm the balance due as at 31 December 2009 to the Company after the end of the reporting period. However, the Company received no reply from the vendor and has lost contact with the vendor since then. In March 2010, the Company decided to take legal actions against the vendor for his default in repayment, but the Company still could not reach the vendor. The Board considered that the deposit was unlikely to be recovered and therefore a full impairment provision of HK\$3,000,000 was made for the year ended 31 December 2009. On 31 December 2010 the Board reviewed the impairment made and there is no reversal of the impairment during the year.

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors and the directors of the Investment Manager 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 and the directors of the Investment Manager, 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 following completion of the Open Offer were and will be as follows:

As at the Latest Practicable Date

<i>Authorised:</i>	<i>HK\$</i>
<u>200,000,000,000</u> Shares	<u>200,000,000.00</u>

<i>Issued and fully paid:</i>	
<u>1,662,800,000</u> Shares	<u>1,662,800.00</u>

Upon completion of the Open Offer

<i>Authorised:</i>	<i>HK\$</i>
<u>200,000,000,000</u> Shares	<u>200,000,000.00</u>

<i>Issued and fully paid:</i>	
1,662,800,000 Shares	1,662,800.00
<u>831,400,000</u> Offer Shares	<u>831,400.00</u>
<u>2,494,200,000</u>	<u>2,494,200.00</u>

All the Shares in issue and to be issued rank and will rank pari passu in all respects with each other including rights to dividends, voting and return of capital.

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

As at the Latest Practicable Date, there were outstanding Share Options granted under the Share Option Scheme which entitle the holders thereof to subscribe for 213,360,000 Shares.

Name or Category of participants	Number of Share Option granted	Exercise Price per Share HK\$	Exercise Period
Directors in aggregate	6,000,000	HK\$ 0.175	30 January 2008 to 29 January 2018
	1,000,000	HK\$ 0.170	10 June 2009 to 9 June 2019
Former Directors in aggregate	15,000,000	HK\$ 0.175	30 January 2008 to 29 January 2018
	26,000,000	HK\$ 0.170	10 June 2009 to 9 June 2019
Employee in aggregate	1,000,000	HK\$ 0.175	30 January 2008 to 29 January 2018
	1,000,000	HK\$ 0.170	10 June 2009 to 9 June 2019
Other participants in aggregate	64,900,000	HK\$ 0.175	30 January 2008 to 29 January 2018
	98,460,000	HK\$ 0.170	10 June 2009 to 9 June 2019
Total	<u>213,360,000</u>		

3. DISCLOSURE OF INTERESTS

Interests of Directors

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required to be notified to the Company and the Stock

Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, were as follows:

Name of Director	Capacity or Nature of Interests	Number of Shares Long position	Number of Share Options	Total	Approximate percentage of issued share capital of the Company
Cheung Tung Lan, Tony	Beneficial owner	170,000,000	—	170,000,000	10.23%
Chu Wai Lim	Beneficial owner	9,000,000	—	9,000,000	0.54%
Fong Son Wa	Beneficial owner	2,000,000	7,000,000	9,000,000	0.54%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests and short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors was a director or an employee of a company which had an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Substantial Shareholders

As at the Latest Practicable Date, so far as is known to, or can be ascertained after reasonable enquiry by any Directors or chief executive of the Company, the following persons had interests or short positions in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of the Divisions 2 and 3 of Part XV of the SFO, or, who were, directly or indirectly, deemed to be 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 Company and the amount of each of such persons' interests in such securities, together with particulars of any options in respect of such capital were as follows:

Name of Shareholder	Capacity or Nature of Interests	Number of Shares	Approximate percentage of issued share capital of the Company
Cheung Tung Lan, Tony	Beneficial owner	170,000,000	10.23%

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other person (other than the Directors and the chief executives of the Company) who had interests or short positions in the Shares or underlying Shares (including any interests in options in respect of such capital), which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who are, 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 the Company.

4. EXPERT AND CONSENT

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

Name	Qualification
FTW & Partners CPA Limited	Certified Public Accountants

FTW & Partners CPA Limited has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion of its letter as set out in this Prospectus and reference to its name in the form and context in which they appear respectively.

As at the Latest Practicable Date, FTW & Partners CPA Limited was not beneficially interested in the share capital of any member of the Company, did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in the Company, or any interest, either direct or indirect, in any assets which had been since 31 December 2010 (being the date to which the latest published audited consolidated financial statements of the Company were made up) acquired or disposed of by or leased to or were proposed to be acquired or disposed of by or leased to the Company.

5. MATERIAL LITIGATION

As at the Latest Practicable Date, so far as known to the Directors, there is no litigation, arbitration or claim of material importance in which the Company is engaged or pending or threatened against the Company.

6. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had a service contract with the Company which was not determinable by the Company within one year without payment of compensation, other than statutory compensation.

7. MATERIAL CONTRACTS

During the two years immediately preceding the date of this Prospectus, the following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company and are or may be material:

- (a) the Underwriting Agreement; and
- (b) the placing agreement dated 8 April 2011 entered into between the Company and CNI Securities Group Limited in relation to the placing of up to 32,600,000 new Shares of the Company.

8. EXPENSES

The estimated expenses in connection with the Open Offer (including but not limited to the underwriting commission, printing, registration, financial advisory, legal, professional and accounting charges) are approximately HK\$1.9 million and are payable by the Company.

9. PARTIES

(i) Particulars of Directors

Name	Address
<i>Executive Directors:</i>	
Mr. Yang Yongdong	Unit 3604B, 36th Floor Tower 2, Lippo Centre No. 89 Queensway, Admiralty Hong Kong
Mr. Chu Wai Lim	Unit 3604B, 36th Floor Tower 2, Lippo Centre No. 89 Queensway, Admiralty Hong Kong
Ms. Fong Son Wa	Unit 3604B, 36th Floor Tower 2, Lippo Centre No. 89 Queensway, Admiralty Hong Kong
<i>Non-executive Director:</i>	
Mr. Cheung Tung Lan, Tony	Unit 3604B, 36th Floor Tower 2, Lippo Centre No. 89 Queensway, Admiralty Hong Kong
<i>Independent non-executive Directors:</i>	
Mr. Tsang Wai Wa	Unit 3604B, 36th Floor Tower 2, Lippo Centre No. 89 Queensway, Admiralty Hong Kong
Professor Chen Yamin	Unit 3604B, 36th Floor Tower 2, Lippo Centre No. 89 Queensway, Admiralty Hong Kong
Mr. Chan Yuk Sang	Unit 3604B, 36th Floor Tower 2, Lippo Centre No. 89 Queensway, Admiralty Hong Kong

(ii) Biographical Details of Directors*Executive Directors***Mr. Yang Yongdong**

Mr. Yang Yongdong (“**Mr. Yang**”), aged 42, joined the Company as the Chief Executive Officer and Executive Director in March 2011. Mr. Yang graduated from Xiamen University and was awarded a Bachelor’s degree in Electronic Engineering. He obtained a Master’s degree in Economics from the Department of International Economic and Trade at Nankai University. Mr. Yang is currently a Doctoral candidate of the Institute of Finance and Banking in the Chinese Academy of Social Sciences.

Mr. Yang has over 19 years of experience in the financial investment business. He has held senior management positions at a number of investment companies in Mainland China and Hong Kong. Mr. Yang is considerably familiar with the capital investment markets in both Mainland China and Hong Kong, and has in-depth knowledge of the operation of A-shares, B-shares and H-shares. He excels in identifying potential strategic investment opportunities and has extensive experience in equity investments in unlisted companies. He has advanced insight into strategic investments, definitely a sophisticated investment expert in the capital investment markets in Mainland China and Hong Kong.

Mr. Chu Wai Lim

Mr. Chu Wai Lim (“**Mr. Chu**”), aged 33, joined the Company as an Executive Director in January 2005. Prior to that, Mr. Chu was a chief financial officer and company secretary of ViaGOLD Capital Limited, a listed company in Australia. Mr. Chu also worked in a company whose shares are listed on the Stock Exchange, as an executive assistant responsible for the group’s administration, accounting, finance and information technology related management activities for 3 years. Mr. Chu holds a Bachelor of Arts degree in Economics from San Francisco State University.

Ms. Fong Son Wa

Ms. Fong Son Wa (“**Ms. Fong**”), aged 31, joined the analytical team of the Company in August 2006 and became an executive Director in October 2007. Ms. Fong holds a Postgraduate Diploma in Development Finance from The University of Manchester, UK, and a dual honours degree in Business Administration and Finance from the University of Keele, UK. Her selected research focused on business development in emerging and developing countries. Her career started at a research tour to Sri Lanka performing research analysis in its financial monetary system. She has also served in The Universal.com Technology Ltd as a business analyst. In early 2003, she joined one of the largest state-owned banking institutes, Bank of China Group, and toured through various positions, such as research analysis and financial products. She has gained extensive knowledge in the field of business incubation and development in the emerging markets.

*Non-executive Director***Mr. Cheung Tung Lan, Tony**

Mr. Cheung Tung Lan, Tony (“**Mr. Cheung**”), aged 54, joined the Company as the chairman of the Board and Non-executive Director of the Company in March 2011. Mr. Cheung has held various senior management positions at a number of conglomerates in Hong Kong, with over 30 years of extensive experience in the industries of telecommunications, information technology, trade promotion and consumer products. Mr. Cheung holds a Master’s degree in Business Administration from The Chinese University of Hong Kong and a Bachelor’s degree from The University of Hong Kong, majoring in Economics.

*Independent non-executive Directors***Mr. Tsang Wai Wa**

Mr. Tsang Wai Wa (“**Mr. Tsang**”), aged 50, joined the Company as an independent non-executive Director, the chairman of the audit committee and a member of the remuneration committee of the Company in April 2009. Mr. Tsang is also an Independent Non-executive Director of Culturecom Holdings Limited, a company whose shares have been listed on the Stock Exchange, since 17 November 2009. Mr. Tsang is a holder of a Bachelor’s degree in Finance and Accounting and a Master’s degree in Business Administration. He is a fellow member of the Chartered Association of Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. He has extensive experience in auditing, accounting, company secretarial and corporate finance experience.

Professor Chen Yamin

Professor Chen Yamin (“**Professor Chen**”), aged 59, joined the Company as an independent non-executive director, a member of the audit committee and a member of the remuneration committee of the Company in May 2011. Professor Chen serves as the director of Department of Accounting at Antai College of Economics and Management, Shanghai Jiao Tong University. He is an Accounting Standards consultant in the Ministry of Finance of the PRC, a member of the Expert Committee for Digital City Construction of the PRC and an executive director of the Accounting Society of China. He is also an independent director of Shanghai Kaikai Industrial Company Limited, whose A shares and B shares are listed on the Shanghai Stock Exchange, and a director of Shanghai Jielong Group Industry Corporation Limited, whose A shares are listed on the Shanghai Stock Exchange. Professor Chen was an independent director of China Haisum Engineering Company Limited and Jiangsu Jiangnan High Polymer Fiber Company Limited, whose respective A shares are listed on the Shenzhen Stock Exchange and the Shanghai Stock Exchange respectively. He was also an executive director of the Chinese Institute of Corporate Finance and Cost (Youth and Mid-Aged).

Professor Chen obtained a Master’s degree in Economics from Shanghai University of Finance and Economics and a Doctoral degree in Economics in International Accounting from Renmin University of China (also known as the People’s University of China). Professor Chen, a renowned PRC expert in accounting, participated in the drafting of the

First Draft of Chinese Accounting Standards for Business Enterprises, and was in charge of setting examination papers for the subjects of “Accounting” and “Financial Management” for the first examination of registered accountants in the PRC. In addition to accounting, Professor Chen also participates in the PRC capital markets. He is one of the founders of China Chengxin Credit Rating Company, the first professional credit rating agency in the PRC. Professor Chen was involved in more than sixty domestic and overseas IPO projects and more than ten large-scale international acquisitions.

Mr. Chan Yuk Sang

Mr. Chan Yuk Sang (“**Mr. Chan**”), aged 65, joined the Company as an independent non-executive Director, a member of audit committee and a member of remuneration committee of the Company in April 2011. Mr. Chan is also an independent non-executive director of Four Seas Mercantile Holdings Limited, GOME Electrical Appliances Holding Limited and Imagi International Holdings Limited, the shares of all of which are listed on the main board of the Stock Exchange. Mr. Chan has over 30 years of experience in the banking and finance industry. He also has served as a senior general manager of a local bank and an executive director of a Sino-foreign bank in Shenzhen. Mr. Chan was the chairman of Century Legend (Holdings) Limited from September 1999 to July 2002 and a director of Hong Kong Building & Loan Agency Limited from 1993 to 1995, the shares of both of which are listed on the Stock Exchange.

10. PARTIES INVOLVED IN THE OPEN OFFER AND CORPORATE INFORMATION

Registered office	Canon's Court 22 Victoria Street Hamilton HM 12 Bermuda
Principal place of business in Hong Kong	Unit 3604B, 36th Floor Tower 2, Lippo Centre No. 89 Queensway, Admiralty Hong Kong
Authorised representative	Chu Wai Lim Unit 3604B, 36th Floor Tower 2, Lippo Centre No. 89 Queensway, Admiralty Hong Kong
Company secretary	Yeung Ming Kong, Kenneth, <i>certified public accountant</i>
Auditors	FTW & Partners CPA Limited Rooms 1001–1003, 10/F. Manulife Provident Funds Place 345 Nathan Road Kowloon, Hong Kong
Underwriter	Guotai Junan Securities (Hong Kong) Limited 27/F, Low Block, Grand Millennium Plaza 181 Queen's Road Central Hong Kong
Legal Advisers	<i>On Hong Kong Law:</i> D.S. Cheung & Co. 29th Floor, Bank of East Asia Harbour View Centre 56 Gloucester Road Wanchai Hong Kong <i>On Bermuda law:</i> Appleby 2206–19 Jardine House 1 Connaught Place Central Hong Kong
Principal Bankers	Standard Chartered Bank (Hong Kong) Limited

Investment Manager	China International Capital Limited Room 1002, 10/F, The Chinese Bank Building 61–65 Des Voeux Road Central Central Hong Kong
Custodian	Standard Chartered Bank (Hong Kong) Limited 15/F, Standard Chartered Tower 388 Kwun Tong Road Kowloon Hong Kong
Principal Registrar and Share Transfer Agent in Bermuda	Appleby Management (Bermuda) Limited Argyle House 41a Cedar Avenue Hamilton HM12 Bermuda
Branch Registrar in Hong Kong	Tricor Tengis Limited 26th Floor Tesbury Centre 28 Queen’s Road East Wanchai Hong Kong

11. MISCELLANEOUS

- (a) As at the Latest Practicable Date, none of the Directors 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 the Company since 31 December 2010, being the date to which the latest published audited accounts of the Company were made up.
- (b) As at the Latest Practicable Date, none of the Directors is materially interested in any contract or arrangement subsisting at the date of this Prospectus which is significant in relation to the business of the Company.

The English text of this Prospectus shall prevail over the Chinese text in the case of inconsistency.

12. DOCUMENTS DELIVERED TO THE REGISTRARS OF COMPANIES

A copy of each of the Prospectus Documents and the consent letter as referred to under the paragraph headed “Expert and Consent” in this appendix have been registered with the Registrar of Companies in Hong Kong pursuant to section 342C of the Companies Ordinance.

A copy of the Prospectus will be filed with the Registrar of Companies in Bermuda prior to or as soon as reasonably practicable after publication pursuant to the Companies Act 1981 of Bermuda (as amended).

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours (Saturdays and public holidays excepted) at Unit 3604B, 36th Floor, Tower 2, Lippo Centre, No. 89 Queensway, Admiralty, Hong Kong from the date of this Prospectus up to and including 16 June 2011:

- (a) the memorandum of continuance and Bye-laws of the Company;
- (b) the letter from the accountant, the text of which is set out on pages 26 and 27 of this Prospectus;
- (c) the annual reports of the Company for the years ended 31 December 2009 and 31 December 2010;
- (d) the material contracts as referred to in the section headed “material contracts” in this appendix;
- (e) the written consent referred to in the paragraph headed “Expert and Consent” in this appendix; and
- (f) this Prospectus.