
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in 21 Holdings Limited (the "Company"), you should at once hand the Prospectus Documents (as defined herein) to the purchaser or the transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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

A copy of each of the Prospectus Documents, together with copies of the documents specified in the paragraph headed "Documents delivered to the Registrar of Companies in Hong Kong" in Appendix III to this prospectus, have been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (as defined herein). The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility as to the contents of any of these documents.

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

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of the Prospectus Documents, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the Prospectus Documents.



21 Holdings Limited

21 控股有限公司*

(incorporated in Bermuda with limited liability)

(stock code: 1003)

OPEN OFFER OF 192,379,617 OFFER SHARES ON THE BASIS OF ONE OFFER SHARE FOR EVERY TWO EXISTING SHARES HELD ON THE RECORD DATE AT HK\$0.50 PER OFFER SHARE

Underwriter to the Open Offer



金利豐證券

KINGSTON SECURITIES

The latest time for acceptance of and payment for the Offer Shares is 4:00 p.m. on Friday, 6 June 2014. The procedures for application are set out on pages 19 and 20 of this prospectus.

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

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

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

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

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

Shareholders should note that the Shares have dealt in on an ex-entitlement basis commencing from Thursday, 15 May 2014 and that dealings in Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled. Any Shareholder or other person dealing in Shares up to the date on which all conditions of the Open Offer are fulfilled (which is expected to be 4:00 p.m. on Thursday, 12 June 2014), will accordingly bear the risk that the Open Offer cannot become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional adviser.

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DEFINITIONS

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

“acting in concert”	has the meaning ascribed to it in the Takeovers Code
“Announcement”	the Company’s announcement dated 25 April 2014 in relation to, amongst others, the terms and conditions of the Open Offer pursuant to the Underwriting Agreement
“Application Form(s)”	the form(s) of application to be used by the Qualifying Shareholders to apply for the Offer Shares in the agreed form
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (excluding a Saturday, Sunday, public holiday and any day on which a tropical cyclone warning no. 8 or above or a “black” rainstorm warning signal is hoisted or remains hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“CCASS”	the central Clearing and Settlement System established and operated by HKSCC
“Company”	21 Holdings Limited, a company incorporated in Bermuda with limited liability whose issued Shares are listed on the Main Board of the Stock Exchange
“Company Act”	the Companies Act 1981 of Bermuda, as amended from time to time
“Companies Ordinance”	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong (as amended from time to time)
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong (as amended from time to time)
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the directors of the Company

DEFINITIONS

“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	independent third parties who are not connected with or acting in concert (as defined in the Takeovers Code) with any directors, chief executive or Substantial Shareholder(s) or its subsidiaries of the Company and their respective associates
“Last Trading Day”	25 April 2014, being the last trading day for the Shares, being the date of the Announcement
“Latest Lodging Date”	4:30 p.m. on Friday, 16 May 2014 as the latest time for lodging transfer of Shares for registration in order to qualify for the Open Offer
“Latest Practicable Date”	19 May 2014, being the latest practicable date for ascertaining certain information for inclusion in this prospectus
“Latest Time for Acceptance”	the latest time for acceptance for the Offer Shares at 4:00 p.m., on Friday, 6 June 2014 or such other time as may be agreed between the Company and the Underwriter
“Latest Time for Termination”	the latest time for terminating the Underwriting Agreement at 4:00 p.m., on Thursday, 12 June 2014, being the fourth Business Day after the Latest Time for Acceptance or such later time or date as may be agreed between the Company and the Underwriter
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	Main Board of the Stock Exchange (excluding the option market) operated by the Stock Exchange
“Offer Shares”	192,379,617 new Shares to be allotted and issued pursuant to the Open Offer

DEFINITIONS

“Open Offer”	the proposed issue by way of open offer to the Qualifying Shareholders on the basis of one (1) Offer Share for every two (2) existing Shares held on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Overseas Letter”	a letter from the Company to the Prohibited Shareholders explaining the circumstances in which the Prohibited Shareholders are not permitted to participate in the Open Offer
“Overseas Shareholder(s)”	the Shareholder(s) with registered address(es) (as shown in the register of members of the Company on the Record Date) are outside of Hong Kong
“Placing”	the placing of up to 64,000,000 new Shares by the Underwriter pursuant to the terms of a conditional placing agreement dated 25 April 2014 and entered into between the Company and the Underwriter
“Prohibited Shareholder(s)”	the Overseas Shareholder(s) whose address is/are in a place(s) outside Hong Kong where, the Directors, based on legal opinions provided by legal advisers of the Company, consider it is necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place not to offer the Offer Shares to such Overseas Shareholders
“Prospectus”	the document containing details of the Open Offer to be despatched to the Qualifying Shareholders
“Prospectus Documents”	the Prospectus and the Application Form
“Prospectus Posting Date”	Thursday, 22 May 2014 or such later date as may be agreed between the Underwriter and the Company for the despatch of the Prospectus Documents to the Qualifying Shareholders (or the Prospectus only in case of Prohibited Shareholder(s))
“Qualifying Shareholders”	Shareholders whose names appear on the register of members of the Company on the Record Date, other than the Prohibited Shareholders

DEFINITIONS

“Record Date”	Wednesday, 21 May 2014, or such other date as may be agreed between the Company and the Underwriter for determining entitlements to the Open Offer
“Registrar”	Computershare Hong Kong Investor Services Limited, at Shops 1712–16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, the branch share registrar and transfer office of the Company in Hong Kong
“SFO”	The Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in share capital of the Company
“Shareholder(s)”	the holder(s) of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.50 per Offer Share
“Substantial Shareholder(s)”	has the meaning as ascribed thereto under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Thought Diamond”	Thought Diamond International Limited, a company incorporated in the British Virgin Islands with limited liability and is wholly owned by Mr. Cheung Kwok Fan, an executive Director, as at the date of the Announcement and as at the Latest Practicable Date
“Thought Diamond Undertaking”	the irrevocable undertaking given by Thought Diamond to the Company and the Underwriter under the Underwriting Agreement to take up in full its entitlements under the Open Offer to subscribe for 47,950,000 Offer Shares
“Underwriter”	Kingston Securities Limited, a licensed corporation to carry on type 1 (dealing in securities) regulated activity for the purposes of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Underwriting Agreement”	the underwriting agreement dated 25 April 2014 and entered into among the Company, the Underwriter and Thought Diamond in relation to the underwriting arrangement in respect of the Open Offer
“Underwritten Shares”	not more than 144,429,617 Offer Shares pursuant to the Underwriting Agreement

DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

TERMINATION OF THE UNDERWRITING AGREEMENT

It should be noted that the Underwriting Agreement contains provisions entitling the Underwriter to terminate its obligations thereunder if at any time prior to the Latest Time for Termination (provided that for the purposes of the termination clause of the Underwriting Agreement, if the date of the Latest Time for Termination shall be a Business Day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is or remains hoisted in Hong Kong between 9:00 a.m. and 4:00 p.m. on that day, the date of the Latest Time for Termination shall be the next Business Day on which no tropical cyclone warning signal no. 8 or above or no black rainstorm warning signal is or remains hoisted in Hong Kong between 9:00 a.m. and 4:00 p.m. on that day):

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

TERMINATION OF THE UNDERWRITING AGREEMENT

- (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; or
- (e) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (f) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the absolute opinion of the Underwriter, a material omission in the context of the Open Offer; or
- (g) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive Business Days, excluding any suspension in connection with the clearance of the Announcement, or the Prospectus Documents or other announcements or circulars in connection with the Open Offer,

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

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

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

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

EXPECTED TIMETABLE

2014

Despatch of the Prospectus Documents	Thursday, 22 May
Latest time for acceptance of and payment for the Offer Shares	4:00 p.m. on Friday, 6 June
Latest time for termination of the Underwriting Agreement by the Underwriter	4:00 p.m. on Thursday, 12 June
Announcement of the results of the Open Offer	Friday, 13 June
Despatch of share certificates for Offer Shares.	Monday, 16 June
Despatch of refund cheques to the shareholders if the Open Offer is terminated.	Monday, 16 June
Expected first day of dealings in fully-paid Offer Shares on the Stock Exchange	9:00 a.m. on Tuesday, 17 June

Notes:

1. All times and dates refer to Hong Kong local times and dates.
2. The Latest Time for Acceptance will not take place if there is:
 - a tropical cyclone warning signal number 8 or above, or
 - a “black” rainstorm warning
 - (i) in force in Hong Kong at any local time at or before 12:00 noon and no longer in force after 12:00 noon on Friday, 6 June 2014. Instead the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; or
 - (ii) in force in Hong Kong at any local time between 9:00 a.m. and 4:00 p.m. on Friday, 6 June 2014. Instead the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m..

If the Latest Time for Acceptance does not take place on Friday, 6 June 2014, the dates mentioned in this section headed “Expected timetable” may be affected. An announcement will be made by the Company in such event advising the revised dates.

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

LETTER FROM THE BOARD



21 Holdings Limited

21 控股有限公司*

(incorporated in Bermuda with limited liability)

(stock code: 1003)

Executive Directors:

Mr. Lei Hong Wai (*Chairman*)

Mr. Ng Kai Man

Mr. Cheung Kwok Fan

Registered office:

Canon's Court

22 Victoria Street

Hamilton HM 12

Bermuda

Independent non-executive Directors:

Ms. Chio Chong Meng

Mr. Wong Tak Chuen

Mr. Man Kong Yui

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

Room 804, 8/F

Shanghai Industrial

Investment Building

48-62 Hennessy Road

Wanchai, Hong Kong

22 May 2014

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

Dear Sir or Madam,

**OPEN OFFER OF 192,379,617 OFFER SHARES
ON THE BASIS OF ONE OFFER SHARE FOR EVERY
TWO EXISTING SHARES HELD ON THE
RECORD DATE AT HK\$0.50 PER OFFER SHARE**

INTRODUCTION

On 25 April 2014, the Company announced that it proposed to raise not more than approximately HK\$96.2 million before expenses by way of open offer of not more than 192,379,617 Offer Shares at the Subscription Price of HK\$0.50 per Offer Share on the basis of one (1) Offer Share for every two (2) existing Shares held on the Record Date and payable in full upon application. Qualifying Shareholders are not entitled to apply for excess Offer Shares not taken up in excess of their respective entitlements under the Open Offer. The Open Offer is only available to the Qualifying Shareholders and will not be extended to the Prohibited Shareholders.

* for identification purpose only

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Company had 384,759,235 Shares in issue. Given that the register of members was closed from Monday, 19 May 2014, being the next Business Day immediately after the Latest Lodging Date, to Wednesday, 21 May 2014 and no further Shares were issued or repurchased during the book close period, the total number of issued Shares on the Record Date was the same as the Latest Lodging Date. As such, on the basis of one (1) Offer Share for every two (2) existing Shares held on the Record Date, 192,379,617 Offer Shares will be allotted and issued by the Company, of which 47,950,000 Offer Shares will be taken up by Thought Diamond pursuant to the Thought Diamond Undertaking and 144,429,617 Offer Shares will be underwritten by the Underwriter pursuant to the Underwriting Agreement.

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

THE OPEN OFFER

Open Offer statistics

Basis of the Open Offer:	One (1) Offer Share for every two (2) existing Shares held on the Record Date
Subscription Price:	HK\$0.50 per Offer Share
Number of Shares in issue as at the Record Date and the Latest Practicable Date:	384,759,235 Shares
Number of Offer Shares:	192,379,617 Offer Shares
Number of Offer Shares to be taken up or procured to be taken up by Thought Diamond pursuant to the Thought Diamond Undertaking:	Thought Diamond has irrevocably undertaken in favour of the Company and the Underwriter to subscribe for or procure the subscription for the 47,950,000 Offer Shares to be allotted to it under its entitlement pursuant to the Open Offer
Number of Offer Shares underwritten by the Underwriter:	144,429,617 Offer Shares. Accordingly, taken into account the Thought Diamond Undertaking, the Open Offer is fully underwritten
Number of enlarged Shares in issue upon completion of the Open Offer:	577,138,852 Shares

As at the Latest Practicable Date, the Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares. There are no outstanding options under the Company's existing share option scheme adopted on 17 September 2004.

LETTER FROM THE BOARD

The allotment and issue of 192,379,617 Offer Shares represents approximately 50.00% of the Company's issued share capital as at the Latest Practicable Date and approximately 33.33% of the Company's issued share capital as enlarged by the allotment and issue of the 192,379,617 Offer Shares immediately after completion of the Open Offer.

The aggregate nominal value of the Offer Shares will be HK\$1,923,796.17.

Basis of entitlement

The basis of the entitlement shall be one (1) Offer Share for every two (2) existing Shares held on the Record Date, being 192,379,617 Offer Shares at the Subscription Price. Acceptance for all or any part entitlement of a Qualifying Shareholder should be made by completing the Application Form and lodging the same with a remittance for the Offer Shares being accepted for.

Qualifying Shareholders

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

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

Shareholders whose Shares are held by nominee companies should note that the Board will regard a nominee company as a single Shareholder according to the register of members of the Company. Shareholders with their Shares held by nominee companies are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

In order to be registered as members of the Company prior to the close of business on the Record Date, Shareholders must lodge any transfers of Shares (together with the relevant share certificates) for registration with Computershare Hong Kong Investor Services Limited of Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Friday, 16 May 2014.

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

LETTER FROM THE BOARD

Subscription Price

The Subscription Price is HK\$0.50 per Offer Share, payable in full upon application.

The Subscription Price represents:

- (a) a discount of approximately 49.49% to the closing price of HK\$0.99 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 16.46% to the theoretical ex-entitlement price of approximately HK\$0.827 based on the closing price of HK\$0.99 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (c) a discount of approximately 50.10% to the average closing price of approximately HK\$1.002 per Share for the last five consecutive trading days immediately prior to the Last Trading Day;
- (d) a discount of approximately 22.72% to the audited consolidated net asset value per Share of approximately HK\$0.647 as at 31 December 2013; and
- (e) a discount of approximately 41.18% to the closing price of HK\$0.85 per Share as at the Latest Practicable Date.

The Subscription Price was determined after arm's length negotiations between the Company and the Underwriter with reference to, among others, the prevailing market price of the Shares. As the Open Offer is pre-emptive to all Qualifying Shareholders, the Directors would like to set and maintain the Subscription Price at a deep discount level so as to attract all the Qualifying Shareholders to participate in the Open Offer and accordingly maintain their shareholdings in the Company and participate in the future growth of the Company. The Directors had also reviewed the share price performance of the Company's Shares as quoted on the Stock Exchange from 26 April 2013 up to the date of the Announcement ("**Review Period**") and noted that the closing prices of the Company during the Review Period were ranged from HK\$0.46 to HK\$1.95 per Share with the average closing price of approximately HK\$0.766 per Share. Given the share price of the Company's Shares were highly volatile during the Review Period, the Directors therefore considered that it was inevitable for the Company to set the Subscription Price at a deep discount so as to induce the Underwriter to commit to the Open Offer and increase the attractiveness of the Open Offer to the Qualifying Shareholders. Having considered the abovementioned and that all Qualifying Shareholders are offered an equal opportunity to participate in the Open Offer and to take up their entitlements in full at the same price to maintain their respective shareholdings in the Company, the Directors are therefore of the view that the discount of the Subscription Price to the recent market price is appropriate and the Subscription Price is fair and reasonable and in the interest of the Company and its Shareholders as a whole.

After deducting all relevant expenses relating to the Open Offer, the net price per Offer Share will be approximately HK\$0.479.

LETTER FROM THE BOARD

Rights of Overseas Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. Accordingly, the Prospectus Documents will not be registered or filed under the applicable securities or equivalent legislation of any jurisdiction other than Hong Kong. Shareholder whose address on the register of members of the Company is in a place outside Hong Kong, may not be eligible to take part in the Open Offer. The Company will send this Prospectus (but not the Application Form), for information purposes only, to the Prohibited Shareholders (if any), if and to the extent legally and practically permissible.

Having reviewed the register of members as at the Latest Practicable Date, the Company noted that there were no Overseas Shareholders whose addresses on the register of members were outside Hong Kong.

No person receiving a copy of this Prospectus and/or the Application Form in any territory or jurisdiction outside Hong Kong may treat it as an offer or an invitation to apply for the Offer Shares, unless in the relevant jurisdiction such an offer or invitation could lawfully be made without compliance with any registration or other legal or regulatory requirements. It is the responsibility of any person outside Hong Kong (including the ultimate beneficial owner(s) of the Qualifying Shareholders) wishing to make an application for the Offer Shares to satisfy himself as to the observance of the laws and regulations of all relevant jurisdiction, including obtaining any government or other consents, and payment of any taxes and duties required to be paid in such jurisdiction in connection therewith. Completion and return of the Application Form will constitute a warranty and representation by the relevant applicant(s) to the Company that all registration, legal and regulatory requirements of all relevant territories other than Hong Kong in connection with the acceptance of the Offer Shares have been duly complied with by such applicant(s). For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to any of the representations and warranties. If you are in any doubt as to your position, you should consult your professional advisers.

Ranking of the Offer Shares

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

Share certificates and refund cheques for the Open Offer

Subject to the fulfillment of the conditions of the Open Offer, certificates for all fully-paid Offer Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Monday, 16 June 2014. If the Open Offer is terminated, refund cheques will be despatched on or before Monday, 16 June 2014 by ordinary post at the respective Shareholders' own risk.

LETTER FROM THE BOARD

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

Dealings in the Offer Shares are expected to commence on Tuesday, 17 June 2014.

No application for excess Offer Shares

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

Fractions of the Offer Shares

Fractional entitlements to the Offer Shares will not be issued to the Qualifying Shareholders but will be aggregated and taken up by the Underwriter.

Application for the Offer Shares

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

Application for listing

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

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

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

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

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

LETTER FROM THE BOARD

UNDERWRITING ARRANGEMENT

The Underwriting Agreement

Date:	25 April 2014
Underwriter:	Kingston Securities Limited
Number of Offer Shares to be underwritten:	144,429,617 Offer Shares. Accordingly, taking into account the Thought Diamond Undertaking, the Open Offer is fully underwritten
Undertaking relating to the Offer Shares:	Thought Diamond has given the Thought Diamond Undertaking in favour of the Company and the Underwriter to subscribe for or procure subscription of the 47,950,000 Offer Shares to which it is entitled under the Open Offer

The Underwriter is a licensed corporation to carry on business in type 1 regulated activity (dealing in securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Underwriter and its ultimate beneficial owners are Independent Third Parties.

Under the Underwriting Agreement, in the event of the Underwriter being called upon to subscribe for or procure subscribers for the Underwritten Shares not taken up:

- (a) the Underwriter shall not subscribe, for its own account, for such number of Underwritten Shares not taken up which will result in the shareholding of it and parties acting in concert with it in the Company to exceed 19.90% of the voting rights of the Company upon the completion of the Open Offer; and
- (b) the Underwriter shall use its best endeavours to ensure that (i) each of the subscribers of the Underwritten Shares not taken up procured by it shall be third party independent of, not acting in concert with and not connected with the Company, any of the directors or chief executive or substantial shareholders of the Company or their respective associates; and (ii) the public float requirements under Rule 8.08 of the Listing Rules remains to be fulfilled by the Company upon completion of the Open Offer.

Underwriting Commission

The Company will pay the Underwriter an underwriting commission of 3.5% of the aggregate Subscription Price in respect of the maximum number of the underwritten Offer Shares, being 144,429,617 Offer Shares. The Directors (including the independent non-executive Directors) are of the view that the terms of the Underwriting Agreement, including the commission, accord with the market practice, are fair and reasonable so far as the Company and the Shareholders are concerned.

LETTER FROM THE BOARD

Irrevocable undertakings given by Thought Diamond

As at the date of the Underwriting Agreement, Thought Diamond is interested in 95,900,000 Shares, representing approximately 29.90% of the total issued share capital of the Company. Thought Diamond has irrevocably undertaken to the Company and the Underwriter:

- (a) not to dispose of, or agree to dispose of, any Shares held by it from the date of the Underwriting Agreement to the close of business on the Record Date;
- (b) to accept or procure the acceptance for the 47,950,000 Offer Shares to be allotted and issued to Thought Diamond under its entitlement pursuant to the Open Offer; and
- (c) to lodge the Application Form(s) in respect of the 47,950,000 Offer Shares referred to in paragraph (b) above accompanied by the appropriate remittances which shall be honoured on first presentation and otherwise comply with the procedures for such acceptance and application as described in the Prospectus Documents prior to the Latest Time for Acceptance.

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

Termination of the Underwriting Agreement

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

- (a) in the absolute opinion of the Underwriter, the success of the Open Offer would be materially and adversely affected by:
 - (i) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Open Offer; or
 - (ii) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic or other nature (whether or not ejusdem generis

LETTER FROM THE BOARD

with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or

- (b) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction on trading in securities) occurs which in the absolute opinion of the Underwriter is likely to materially or adversely affect the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (c) there is any change in the circumstances of the Company or any member of the Group which in the absolute opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or
- (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; or
- (e) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (f) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the absolute opinion of the Underwriter, a material omission in the context of the Open Offer; or
- (g) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive Business Days, excluding any suspension in connection with the clearance of the Announcement, or the Prospectus Documents or other announcements or circulars in connection with the Open Offer,

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

LETTER FROM THE BOARD

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

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

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

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

Conditions of the Open Offer

The Open Offer is conditional upon:

- (a) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules, the Companies Ordinance and the Companies (Winding Up and Miscellaneous Provisions) Ordinance not later than the Prospectus Posting Date;
- (b) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus and a letter in the agreed form to the Prohibited Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Open Offer on or before the Prospectus Posting Date;
- (c) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Offer Shares by no later than the first day of their dealings;
- (d) the obligations of the Underwriter becoming unconditional and that the Underwriting Agreement is not terminated in accordance with its terms;
- (e) compliance with and performance of all undertakings and obligations of the Company under the Underwriting Agreement; and
- (f) compliance with and performance of all undertakings and obligations of Thought Diamond under the Thought Diamond Undertaking.

LETTER FROM THE BOARD

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

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

PROCEDURES FOR APPLICATION

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

If Qualifying Shareholders wish to exercise their rights to subscribe for all the Offer Shares offered to them as specified in the Application Form or to exercise their rights to subscribe for any number less than their entitlements under the Open Offer, they must complete, sign and lodge the Application Form in accordance with the instructions printed thereon, together with remittance for the full amount payable in respect of such number of Offer Shares they have subscribed for with the Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong by not later than 4:00 p.m. on Friday, 6 June 2014. All remittance(s) must be made in Hong Kong dollars and cheques must be drawn on an account with, or bankers’ cashier’s orders must be issued by, a licensed bank in Hong Kong and made payable to “**21 Holdings Limited — Open Offer Account**” and crossed “**Account Payee Only**”.

It should be noted that unless the duly completed and signed Application Form, together with the appropriate remittance, have been lodged with the Registrar, Computershare Hong Kong Investor Services Limited, by not later than 4:00 p.m. on Friday, 6 June 2014, the relevant assured allotment of Offer Shares and all rights and entitlements in relation thereto shall be deemed to have been declined and will be cancelled.

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

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

LETTER FROM THE BOARD

If the conditions of the Open Offer are not fulfilled and/or the Underwriting Agreement is terminated in accordance with its terms before the Latest Time for Termination, the monies received in respect of acceptance of Offer Shares will be refunded, without interests, by sending a cheque made out to the applicant (or in the case of joint applicants, to the first named applicant) and crossed “Account Payee Only”, through ordinary post at the risk of the applicant(s) to the address specified in the register of members of the Company on or before Monday, 16 June 2014.

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

The Company will not allot any fractions of Offer Shares.

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

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

WARNING OF THE RISK OF DEALINGS IN THE SHARES

Shareholders should note that the Shares have been dealt in on an ex-entitlement basis commencing from Thursday, 15 May 2014 and that dealing in Shares will continue while the conditions to which the Underwriting Agreement is subject remain unfulfilled.

Any Shareholder or other person dealing in Shares up to the date on which all conditions of the Open Offer are fulfilled (which is expected to be on 4:00 p.m. on Thursday, 12 June 2014), will accordingly bear the risk that the Open Offer cannot become unconditional and may not proceed.

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

LETTER FROM THE BOARD

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

SHAREHOLDING STRUCTURE OF THE COMPANY

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

	As at the Latest Practicable Date		Assuming all Offer Shares are taken up by the Qualifying Shareholders		Assuming none of the Offer Shares are taken up by the Qualifying Shareholders other than Thought Diamond under the Thought Diamond Undertaking (Note 2)	
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
Thought Diamond (Note 1)	95,900,000	24.92	143,850,000	24.92	143,850,000	24.92
Public						
The Underwriter	—	—	—	—	144,429,617	25.02
Existing public Shareholders	<u>288,859,235</u>	<u>75.08</u>	<u>433,288,852</u>	<u>75.08</u>	<u>288,859,235</u>	<u>50.06</u>
Total	<u><u>384,759,235</u></u>	<u><u>100.00</u></u>	<u><u>577,138,852</u></u>	<u><u>100.00</u></u>	<u><u>577,138,852</u></u>	<u><u>100.00</u></u>

Notes:

- Pursuant to the Thought Diamond Undertaking, Thought Diamond has irrevocably undertaken to the Company and the Underwriter that (a) not to dispose of, or agree to dispose of, any Shares held by it from the date of the Underwriting Agreement to the close of business on the Record Date; (b) to accept or procure the acceptance for the 47,950,000 Offer Shares to be allotted and issued to Thought Diamond under its entitlement pursuant to the Open Offer; and (c) to lodge the Application Form(s) accompanied by the appropriate remittances in respect of the 47,950,000 Offer Shares prior to the Latest Time for Acceptance.
- This scenario is for illustrative purpose only and will not occur.

Under the Underwriting Agreement, in the event of the Underwriter being called upon to subscribe for or procure subscribers for the Underwritten Shares not taken up:

- the Underwriter shall not subscribe, for its own account, for such number of Underwritten Shares not taken up which will result in the shareholding of it and parties acting in concert with it in the Company to exceed 19.90% of the voting rights of the Company upon the completion of the Open Offer; and
- the Underwriter shall use its best endeavours to ensure that (i) each of the subscribers of the Underwritten Shares not taken up procured by it shall be third party independent of, not acting in concert with and not connected with the Company, any of the directors or chief executive or substantial shareholders of the Company or their respective associates; and (ii) the public float requirements under Rule 8.08 of the Listing Rules remains to be fulfilled by the Company upon completion of the Open Offer.

LETTER FROM THE BOARD

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

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

The gross proceeds from the Open Offer will not be more than approximately HK\$96.2 million. The net proceeds from the Open Offer after deducting all relevant expenses are estimated to be not more than HK\$92.2 million.

The Company intends to apply the net proceeds from the Open Offer, for expanding into a new business, namely the provision of mortgage financing. It is expected that the entire net proceeds from the Open Offer will be utilised as working capital of the subsidiary, which engages in the provision of mortgage financing.

Due to the lowered loan-to-value ratio for property mortgage loan introduced by Hong Kong Monetary Authority and the suppressing measures based on the special stamp duty launched by the Hong Kong Government, the Directors consider that the current market sentiments to the Hong Kong property market has apparently cooled down and subdued. In 2013, the property agency segment in Hong Kong reported a revenue of approximately HK\$94.7 million, representing a decrease of about HK\$6.0 million or 6.0% from last corresponding year which was mainly due to the decline in sales transaction volume. The Directors consider that the introduction of the provision of mortgage financing business at this moment can elevate the Group's competitiveness in the current sluggish property market in Hong Kong. At present, the Group has over 100 branches (including franchisees) with more than 300 property agents in Hong Kong. The Board considers that the Group could utilise its existing property agency network to build up a diverse and sizeable base of customers for the newly expanded provision of mortgage financing business in an effective and efficient manner. Besides, the target customers of the Group's mortgage financing business will also include all property owners who are looking for cash-out refinancing services. Therefore, the Board considers that the provision of mortgage financing would broaden the Group's income sources and improve the financial performance of the Group's property agency segment which is beneficial to the Company and its Shareholders.

As the Company already has an existing property agency network for marketing and promoting the provision of mortgage financing business, the business plan for developing the new business concentrates on obtaining necessary licenses as required by the laws of Hong Kong. The major actions of the plan are as follows:

- (i) application for a Money Lender License with relevant authorities in Hong Kong;
- (ii) recruitment of experienced personnel who are proficient in handling mortgage loan transactions; and
- (iii) designing internal control procedures, such as mortgage loan approval procedures, etc.

LETTER FROM THE BOARD

Following expanding into the provision of mortgage financing, the Group will examine other areas of money lending business, such as car loans and personal loans etc. for further expansion.

The Company is required to obtain a Money Lender License under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) for the operation of the provision of mortgage financing business. The Company is in the process of applying for a Money Lender License from the Registrar of Companies and the Commissioner of Police.

The mortgage financing business is capital intensive in nature. To obtain sufficient funding for starting up the new mortgage financing business, the Company has considered the debt financing methods other than equity fund raising methods. However, as the Group does not have any properties or material assets, it cannot secure these third party loans. As a result, the Directors decided to adopt the Open Offer in order to obtain funds from starting up the new mortgage financing business. Since the Open Offer is pre-emptive to all Qualifying Shareholders and provide all Qualifying Shareholders an equal opportunity to take up their pro rata entitlements in full and to maintain their respective shareholdings in the Company, the Directors consider that the adoption of the Open Offer as its fund raising activity for the new business is fair and reasonable and is beneficial to the Company and its Shareholders as whole. Besides, the Board also considers that the Open Offer represents an opportunity for the Group to raise funding for the development of the mortgage financing business while broadening its capital base thereby increasing the liquidity of the Shares. As such, the Directors (including the independent non-executive Directors) consider that the Underwriting Agreement are entered into upon normal commercial terms and that the terms of the Open Offer are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

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

The Company has not conducted any fund raising exercise during the past twelve months immediately preceding the date of the Announcement.

FINANCIAL AND TRADING PROSPECT OF THE GROUP

The property agency segment in Hong Kong reported a revenue of HK\$94.7 million for the year ended 31 December 2013, representing a decrease of about HK\$6.0 million or 6.0% from last corresponding year which is mainly due to the decline in sales transaction volume in 2013 as a result of the implementation of suppressing measures regulating Hong Kong property market in October 2012, February 2013 and April 2013. The limited liquidity in the local property market has adversely affected the business of property agency. Under the influence of these suppressing measures, the overall market sales activity is expected to remain subdued in the near term.

LETTER FROM THE BOARD

The property agency segment in the mainland of the People's Republic of China (the "PRC") has been substantially hampered by the curbs and cooling measures subsisting in the PRC property market since 2011. In order to minimise the operating costs, the business of Guangzhou MAG Real Estate Investment Consultants Limited had been sub-contracted in July 2013. In the third quarter of 2013, the Group focused its business effort in the cities near Hong Kong such as Shenzhen and Huizhou, while less effort was placed in cities such as Guangdong and Beijing.

In 2013, the PRC property market was in a situation of polarisation. The property prices rose in pace with the strong demand in the core cities. Meanwhile, the property market in the third and fourth-tier cities remained stagnant due to oversupply. Looking into 2014, it is expected that the central government would improve the economic structure through the process of town urbanization and would launch new property tax rules and tightening measures progressively in the core cities. The restrictive measures in the third and fourth-tier cities are expected to be relaxed according to the market situation. These processes would stabilise the property market in the PRC.

The world economy has started to show signs of stability and recovery after the financial turmoil. The property agency business in both Hong Kong and mainland China, however, continued to be suppressed by various discouraging market conditions. Given the uncertainty of the US quantitative easing monetary policies, the influence of the stringent policy of the PRC central government and Hong Kong government in the property sector, the market sentiment would remain cautious in 2014 and thus delaying the revival of the property market.

Barring unforeseen circumstances, the Group is confident to remain competitive in the agency business by utilising its founded network. The Group would stay with its cost control measures in the years ahead and continue to look for new business opportunities for sustainable growth.

GENERAL

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

By Order of the Board
21 Holdings Limited
Lei Hong Wai
Chairman

1. FINANCIAL INFORMATION INCORPORATED BY REFERENCE

The audited consolidated financial statements of the Group for each of the three years ended 31 December 2011, 31 December 2012 and 31 December 2013, including the notes thereto, have been disclosed in the annual reports of the Company for the years ended 31 December 2011 (pages 34 to 127) published on 25 April 2012 at <http://www.hkexnews.hk/listedco/listconews/SEHK/2012/0425/LTN20120425028.pdf>, 31 December 2012 (pages 33 to 125) published on 17 April 2013 at <http://www.hkexnews.hk/listedco/listconews/SEHK/2013/0417/LTN20130417015.pdf>, 31 December 2013 (pages 38 to 143) published on 14 April 2014 at <http://www.hkexnews.hk/listedco/listconews/SEHK/2014/0414/LTN20140414005.pdf> respectively which are incorporated by reference into this Prospectus.

The management discussion and analysis of the Group for the years ended 31 December 2011, 31 December 2012, 31 December 2013 have been disclosed in the annual reports of the Company for the years ended 31 December 2011 (pages 6 to 15), 31 December 2012 (pages 6 to 11), 31 December 2013 (pages 6 to 17) respectively, which are incorporated by reference into this Prospectus.

The said annual reports of the Company are available on the designated website of the Company at www.irasia.com/listco/hk/21holdings and the website of the Stock Exchange at www.hkexnews.hk.

2. STATEMENT OF INDEBTEDNESS

At the close of business on 30 April 2014, being the last practicable date for the purpose of preparing this statement of indebtedness prior to the printing of the Prospectus, the Group had outstanding amount due to a Director of HK\$23,000,000.

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

3. WORKING CAPITAL

The Directors are of the opinion that, after taking into account the present available resources, cash flows to be generated from the operating activities and the estimated net proceeds from the Open Offer, in the absence of unforeseen circumstances the Group will have sufficient working capital for at least the next twelve months from the date of publication of the Prospectus.

4. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2013, being the date to which the latest published audited consolidated accounts of the Group were made up, up to and including the Latest Practicable Date.

5. BUSINESSES ACQUIRED AFTER 31 DECEMBER 2013

No business has been acquired after 31 December 2013, being the date to which the latest published audited consolidated accounts of the Group was made up.

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

The unaudited pro forma statement of adjusted consolidated net tangible assets (the “Unaudited Pro Forma Financial Information”) prepared in accordance with Rule 4.29 of the Listing Rules is set out below to illustrate the effect of the Open Offer on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2013 as if it had taken place on 31 December 2013.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purpose only, and because of its nature, it may not give a true picture of the financial position of the Group as at 31 December 2013 or at any future date.

The following pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company is prepared based on the audited consolidated net assets of the Group attributable to owners of the Company as at 31 December 2013 extracted from the published audited consolidated financial statements of the Group and adjusted to reflect the effect of the Open Offer.

	Audited consolidated net assets of the Group attributable to the owners of the Company as at 31 December 2013 <i>HK\$'000</i> <i>(Note 1)</i>	Adjustment for intangible assets <i>HK\$'000</i> <i>(Note 2)</i>	Audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2013 <i>HK\$'000</i>	Net proceeds from the Placing <i>HK\$'000</i> <i>(Note 3)</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2013 after the completion of the Placing <i>HK\$'000</i>	Estimated net proceeds from the Open Offer <i>HK\$'000</i> <i>(Note 4)</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2013 immediately after the completion of the Open Offer <i>HK\$'000</i>
Based on 192,379,617 Offer Shares at Subscription Price of HK\$0.50 per Offer Share	207,683	(7,059)	200,624	50,006	250,630	92,240	342,870
							<i>HK\$</i>
Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per Share as at 31 December 2013 prior to the completion of the Placing and the Open Offer <i>(Note 5)</i>							<u>0.63</u>
Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per Share as at 31 December 2013 after the completion of the Placing <i>(Note 6)</i>							<u>0.65</u>
Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per Share as at 31 December 2013 immediately after the completion of the Placing and Open Offer <i>(Note 7)</i>							<u>0.59</u>

Notes:

1. The audited consolidated net assets of the Group attributable to the owners of the Company as at 31 December 2013 of HK\$207,683,000 is extracted from the audited consolidated statement of financial position of the Group as at 31 December 2013 included in the Group's published annual report for the year ended 31 December 2013.
2. The intangible assets represent the goodwill of approximately HK\$7,059,000 as extracted from the Group's published annual report for the year ended 31 December 2013.
3. On 25 April 2014, the Company and the Underwriter entered into a conditional placing agreement, whereby the Company has conditionally agreed to place, through the Underwriter, on a best effort basis, of up to 64,000,000 new Shares to not less than six placees who and whose ultimate beneficial owners are Independent Third Parties at a placing price of HK\$0.81 per new Share. The net proceeds from the Placing amounted to HK\$50,006,000. The Placing was completed on 7 May 2014.
4. The estimated net proceeds from the Open Offer of approximately HK\$92,240,000 are based on 192,379,617 Offer Shares to be issued at the Subscription Price of HK\$0.50 per Offer Share and after deduction of estimated related expenses of approximately HK\$3,950,000.
5. The number of Shares used for the calculation of unaudited pro forma adjusted consolidated net tangible assets per Share prior to the completion of the Placing and Open Offer is based on 320,759,235 Shares in issue as at 31 December 2013.
6. The calculation of the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per Share as at 31 December 2013 after the completion of the Placing is based on 384,759,235 Shares after the completion of the Placing as of the Placing of 64,000,000 new Shares were completed as at 31 December 2013.
7. The calculation of the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per Share as at 31 December 2013 immediately after the completion of the Open Offer is based on 577,138,852 Shares after the completion of the Placing and Open Offer as of the placing of 64,000,000 new Shares and the Open Offer of 192,379,617 Offer Shares were completed as at 31 December 2013.
8. No adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets of the Group to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2013.

**2. REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION IN
RESPECT OF THE OPEN OFFER**

The following is the text of a report, prepared for the purpose of inclusion in this prospectus, received from HLB Hodgson Impey Cheng Limited, certified public accountants, Hong Kong:



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

22 May 2014

The Board of Directors
21 Holdings Limited
Room 804, 8/F.
Shanghai Industrial Investment Building
48–62 Hennessy Road, Wanchai
Hong Kong

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE
COMPILATION OF PRO FORMA FINANCIAL INFORMATION****TO THE DIRECTORS OF 21 HOLDINGS LIMITED**

We have completed our assurance engagement to report on the compilation of pro forma financial information of 21 Holdings Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company for illustrative purposes only. The pro forma financial information consists of the pro forma statement of consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2013 and related notes as set out on pages 27 to 28 of Appendix II to the prospectus issued by the Company dated 22 May 2014 (the “**Prospectus**”). The applicable criteria on the basis of which the directors of the Company have compiled the pro forma financial information are described on pages 27 to 28 of Appendix II to the Prospectus.

The pro forma financial information has been compiled by the directors of the Company to illustrate the impact of the proposed open offer on the basis of one offer share for every two shares held on the record date (the “**Open Offer**”) on the Group’s financial position as at 31 December 2013 as if the Open Offer had taken place at 31 December 2013. As part of this process, information about the Group’s financial position has been extracted by the directors of the Company from the Group’s financial information for the year ended 31 December 2013 on which an audited report has been published.

DIRECTORS' RESPONSIBILITIES FOR THE PRO FORMA FINANCIAL INFORMATION

The directors of the Company are responsible for compiling the pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

REPORTING ACCOUNTANTS' RESPONSIBILITIES

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

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

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

The purpose of pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 31 December 2013 would have been as presented.

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

- The related pro forma adjustments give appropriate effect to those criteria; and

- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

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

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

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

OPINION

In our opinion:

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

Yours faithfully

HLB Hodgson Impey Cheng Limited

Certified Public Accountants

Yu Chi Fat

Practising Certificate Number: P05467

Hong Kong

1. RESPONSIBILITY STATEMENT

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

2. SHARE CAPITAL

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

Authorised share capital:

	<i>HK\$</i>
<u>50,000,000,000</u> Shares	<u>500,000,000.00</u>

Issued and fully paid share capital or credited as fully paid:

384,759,235 Shares in issue as at the Latest Practicable Date	3,847,592.35
<u>192,379,617</u> Offer Shares to be issued	<u>1,923,796.17</u>
<u>577,138,852</u> Shares in issue and fully paid immediately upon completion of the Open Offer	<u>5,771,388.52</u>

As at the Latest Practicable Date, the Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares. There are no outstanding options under the Company's existing share option scheme adopted on 17 September 2004.

No capital of any member of the Group was under option, or agreed conditionally or unconditionally to be put under option as at the Latest Practicable Date.

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

The issued Shares are listed and traded on the Main Board of the Stock Exchange. None of the securities of the Company is listed, or dealt in, on any other exchange, nor is any listing of or permission to deal in the securities of the Company being, or proposed to be, sought on any other stock exchange.

3. DISCLOSURE OF INTERESTS

(i) Directors

(a) Directors' interests in the Company

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

Name of Director	Capacity	Number of Shares held	Number of underlying Shares held	Total	Approximate % of interest held
Mr. Cheung Kwok Fan	Interest of controlled corporation	143,850,000 (note)	—	143,850,000	24.92

All interests stated above represent long positions.

Note: These Shares are held as to 143,850,000 Shares (including 47,950,000 Shares undertaken under the Thought Diamond Undertaking) by Thought Diamond.

Save as disclosed herein, as at the Latest Practicable Date, none of the Directors or chief executives of the Company and their associates had any interests or short positions in any Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required 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 which were required pursuant to Section 352 of the SFO to be entered in the register maintained by the Company referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules, to be notified to the Company and the Stock Exchange.

(b) Directors' interests in assets and contracts of the Company

As at the Latest Practicable Date, none of the Directors has or had any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to member of the Group since 31 December 2013, being the date to which the latest published audited accounts of the Group were made up.

Save as the interest of Mr. Cheung Kwok Fan in the Thought Diamond Undertaking, none of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group which was subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group.

(c) Directors' Service Contracts

As at the Latest Practicable Date, none of the Directors had entered or was proposing to enter into any service contract with the Company or any other member of the Group which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

(ii) Substantial Shareholders

As at the Latest Practicable Date, so far as was known to the Directors or chief executives of the Company, the following persons (other than the Directors or chief executives of the Company) had interests or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO were as follows:

Name	Capacity	Number of Shares or underlying Shares held	Approximate % of interest held
Thought Diamond	Beneficial owner	143,850,000 <i>(note)</i>	24.92
Eternity Investment Limited	Interest of controlled corporation	143,850,000 <i>(note)</i>	24.92
Riche (BVI) Limited	Interest of controlled corporation	143,850,000 <i>(note)</i>	24.92
Kingston Securities Limited	Underwriter	144,429,617	25.02
Chu Yuet Wah	Interest of controlled corporation	144,429,617	25.02
Active Dynamic Limited	Interest of controlled corporation	144,429,617	25.02

Name	Capacity	Number of Shares or underlying Shares held	Approximate % of interest held
Galaxy Sky Investments Limited	Interest of controlled corporation	144,429,617	25.02
Kingston Capital Asia Limited	Interest of controlled corporation	144,429,617	25.02
Kingston Financial Group Limited	Interest of controlled corporation	144,429,617	25.02
Siu Kwok Chung	Beneficial owner	11,000,000	5.05

All interests stated above represent long positions.

Note: These Shares included 47,950,000 Shares undertaken under the Thought Diamond Undertaking.

Other than disclosed herein, as at the Latest Practicable Date, so far as was known to the Directors or chief executives of the Company, the Company had not been notified of any other interests or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO or any persons (other than the Directors and chief executive of the Company) who is, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying the right to vote in all circumstance at general meeting of any member of the Group.

As at the Latest Practicable Date, save and except for information above, no other Director nor any parties acting in concert with any of them was interested in any Shares or any convertible securities, warrants, options or derivative in respect of Shares.

4. CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr. Lei Hong Wai
Mr. Ng Kai Man
Mr. Cheung Kwok Fan

Independent Non-executive Directors

Ms. Chio Chong Meng
Mr. Wong Tak Chuen
Mr. Man Kong Yui

Audit Committee

Mr. Wong Tak Chuen
Ms. Chio Chong Meng
Mr. Man Kong Yui

	<i>Remuneration Committee</i> Ms. Chio Chong Meng Mr. Lei Hong Wai Mr. Man Kong Yui
	<i>Nomination Committee</i> Mr. Lei Hong Wai Ms. Chio Chong Meng Mr. Man Kong Yui
Registered office	Canon's Court 22 Victoria Street Hamilton HM12 Bermuda
Head office and principal place of business in Hong Kong	Room 804, 8/F Shanghai Industrial Investment Building 48–62 Hennessy Road Wanchai, Hong Kong
Company secretary	Ms. Chu Man Ting Member of Hong Kong Institute of Certified Public Accountants Room 804, 8/F Shanghai Industrial Investment Building 48–62 Hennessy Road Wanchai, Hong Kong
Authorised representatives	Mr. Lei Hong Wai and Ms. Chu Man Ting Room 804, 8/F Shanghai Industrial Investment Building 48–62 Hennessy Road Wanchai, Hong Kong
Auditors	Deloitte Touche Tohmatsu <i>Certified Public Accountants</i> 35/F., One Pacific Place 88 Queensway Hong Kong
Legal advisers	Robertsons 57/F., The Center 99 Queen's Road Central Hong Kong

	Vincent T.K. Cheung, Yap & Co. 11th Floor, Central Building 1–3 Pedder Street, Central Hong Kong
	Appleby 2206–19 Jardine House 1 Connaught Place Central Hong Kong
Principal registrar and transfer office	MUFG Fund Services (Bermuda) Limited 26 Burnaby Street Hamilton HM11 Bermuda
Hong Kong branch share registrar and transfer office	Computershare Hong Kong Investor Services Limited Shops 1712–1716, 17th Floor Hopewell Centre 183 Queen’s Road East Wanchai Hong Kong
Principal bankers	The Hongkong and Shanghai Banking Corporation Limited The Bank of East Asia, Limited Fubon Bank (Hong Kong) Limited
Stock code	1003
Website	www.irasia.com/listco/hk/21holdings

5. PARTIES INVOLVED IN THE OPEN OFFER

The Company	21 Holdings Limited Room 804, 8/F Shanghai Industrial Investment Building 48–62 Hennessy Road Wanchai, Hong Kong
Underwriter	Kingston Securities Limited Suite 2801, 28th Floor One International Finance Centre 1 Harbour View Street Hong Kong

Financial adviser to the Company	Nuada Limited Unit 1805-08, 18/F Office Plus @Sheung Wan 93-103 Wing Lok Street Sheung Wan Hong Kong
Legal advisers to the Company	<i>As to Hong Kong Law:</i> Robertsons 57/F., The Center 99 Queen's Road Central Hong Kong <i>As to Bermuda Law:</i> Appleby 2206-19 Jardine House 1 Connaught Place Central Hong Kong
Reporting Accountants	HLB Hodgson Impey Cheng Limited <i>Certified Public Accountants</i> 31/F., Gloucester Tower, The Landmark 11 Pedder Street, Central, Hong Kong
Hong Kong branch share registrar and transfer office	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17th Floor Hopewell Centre 183 Queen's Road East Wanchai Hong Kong

6. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened by or against any member of the Group.

7. MATERIAL CONTRACTS

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

- (i) the conditional placing agreement dated 22 January 2013 entered into between the Company and Success Securities Limited in relation to a placing of up to 53,000,000 new Shares on a best effort basis at a price of HK\$0.23 per new Share;

- (ii) a sale and purchase agreement dated 6 August 2013 entered into between Prosper Overseas Limited, a wholly owned subsidiary of the Company, as vendor and Mr. Ng Kai Lok, Paul (the brother of Mr. Ng Kai Man, a Director) as purchaser relating to the disposal of the 60% of the entire share capital of Yanyan Force Limited and a sale loan amounted to approximately HK\$16,397,000 at a total consideration of HK\$100,000;
- (iii) the conditional placing agreement dated 25 April 2014 entered into between the Company and the Underwriter in relation to a placing of up to 64,000,000 new Shares on a best effort basis at a price of HK\$0.81 per new Share; and
- (iv) the Underwriting Agreement.

8. PARTICULARS OF DIRECTORS

Executive Directors

Mr. Lei Hong Wai, aged 46, has over 15 years of extensive experience in corporate management, investment and business development. He was a director of The Chamber of Hong Kong Listed Companies Limited, which promotes interaction amongst its members which are listed companies in Hong Kong and the People's Republic of China, in 2002. Mr. Lei has been an executive director and the chairman of the board of directors of Eternity Investment Limited (stock code: 764) ("Eternity"), a company listed on the Main Board of the Stock Exchange since 18 January 2010 and 1 February 2010 respectively.

Mr. Ng Kai Man, aged 59, joined the Company as an executive director in July 2008. He is also appointed as the director of certain subsidiaries of the Company. Mr. Ng holds a master degree from the London School of Economics & Political Sciences, University of London in the United Kingdom. Mr. Ng had held senior positions in Mandarin Property Consultants Limited, The Chase Manhattan Bank, N.A., World Trade Group and The Bank of Canton. He possesses extensive experience in real estate industry and is the founder of Century 21 Hong Kong Limited.

Mr. Cheung Kwok Fan, aged 46, has over 20 years' working experience in the field of architecture. He is a member of The Hong Kong Institute of Architects, a member of The Royal Australian Institute of Architects, Registered Architect in Hong Kong and an Authorised Person in the list of architects. He obtained his Bachelor Degree of Arts in Architectural Studies from The University of Hong Kong in 1989 and a Bachelor Degree in Architectural from The University of Hong Kong in 1991. He was selected as an awardee of the Ten Outstanding Young Persons Selection organised by Junior Chamber of International Hong Kong in 2005. Mr. Cheung has been the non-executive director of Eternity since 31 August 2011.

Independent non-executive Directors

Ms. Chio Chong Meng, aged 44, holds a Master Degree of Business Administration from The Hong Kong University of Science and Technology in Hong Kong. She has over 18 years of experiences in hospitality industry and played a few senior executive roles including in a reputable chain hotel in Macau. Her previous position was a general manager of a hotel in Macau. Ms. Chio was an independent non-executive of China Media and Films Holdings Limited (stock code: 8172), a company listed on the Growth Enterprise Market operated by the Stock Exchange, during the period from 1 January 2009 to 25 May 2012.

Mr. Wong Tak Chuen, aged 49, is a fellow member of both Hong Kong Institute of Certified Public Accountants and Association of Chartered Certified Accountants in the United Kingdom, as well as a member of the Institute of Chartered Accountants in England and Wales. He has over 20 years of experience in auditing, financial management, mergers and acquisitions gained from certain senior finance related positions in an international accounting firm in Hong Kong, companies listed in Hong Kong and a company listed in the United States of America. He is currently the chief financial officer and the company secretary of a company listed on the Main Board of the Stock Exchange. Mr. Wong has been an independent non-executive director of Eternity since 7 November 2011.

Mr. Man Kong Yui, aged 54, has been involved in the investment and financial industries for over 35 years and has extensive experience in bullion, foreign exchange, securities, futures and asset management business. He has held various senior positions with prominent banks, international financial institutions and listed companies in Hong Kong. He holds a Bachelor Degree in Business Administration from The Chinese University of Hong Kong. He is currently a general manager of securities brokerage firm. Mr. Man has been an independent non-executive director of Get Nice Holdings Limited (stock code: 64), a company listed on the Main Board of the Stock Exchange, since 3 October 2005.

9. MISCELLANEOUS

- (i) The secretary and the qualified accountant of the Company is Ms. Chu Man Ting. Ms. Chu is a member of the Hong Kong Institute of Certified Public Accountants.
- (ii) The business address of all Directors is Room 804, 8/F., Shanghai Industrial Investment Building, 48–62 Hennessy Road, Wanchai, Hong Kong.
- (iii) The registered office of the Company is located at Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda. The head office and principal place of business is located at Room 804, 8/F., Shanghai Industrial Investment Building, 48–62 Hennessy Road, Wanchai, Hong Kong. The principal transfer office of the Company is at 26 Burnaby Street, Hamilton HM11, Bermuda.

- (iv) The Hong Kong branch share registrar and transfer office of the Company are Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong.
- (v) As at the Latest Practicable Date, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.
- (vi) As at the Latest Practicable Date, save for the Thought Diamond Undertaking, the Board had not received any information from any Substantial Shareholders (as defined under the Listing Rules) of their intention to take up the Offer Shares to be provisionally allotted or offered to them under the Open Offer.
- (vii) The English text of the Prospectus shall prevail over the Chinese text.

10. EXPERT AND CONSENT

The following are the qualification of the expert who has given opinion or advice contained in the Prospectus:

Name	Qualification
HLB Hodgson Impey Cheng Limited (“HLB”)	Certified Public Accountants

HLB has given and has not withdrawn its written consent to the issue of the Prospectus with the inclusion of its report and references to its name in the form and context in which it appear.

HLB does not has any shareholding in any company in the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any company in the Group.

HLB does not have or had any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2013, being the date to which the latest published audited accounts of the Group were made up.

11. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of this Prospectus, together with copies of the Application Form and the written consent referred to in the paragraphs headed “Expert and Consent” in this appendix have been delivered to the Registrar of Companies in Hong Kong for registration as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

12. LEGAL EFFECT

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

13. EXPENSES

The expenses in connection with the Open Offer, including financial advisory fees, underwriting commission, printing, registration, translation, legal and accountancy charges, registration and other related expenses, are estimated to amount to approximately HK\$3.95 million and are payable by the Company.

14. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business of the Company at Room 804, 8/F., Shanghai Industrial Investment Building, 48–62 Hennessy Road, Wanchai, Hong Kong during normal business hours on any weekday other than public holidays from the date of the Prospectus, up to and including the Latest Time for Acceptance:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the material contracts referred to in the paragraph headed “Material Contracts” in this Appendix;
- (c) the annual reports of the Company for each of the two financial years ended 31 December 2012 and 2013;
- (d) the accountants’ report on the unaudited pro forma financial information of the Group, the text of which is set out in Appendix II to the Prospectus;
- (e) the Thought Diamond Undertaking;
- (f) the letter from the Board the text of which is set out on pages 9 to 24 to the Prospectus;
- (g) the written consent of the expert referred to in the section headed “Expert and Consent” in this Appendix; and
- (h) the Prospectus Documents.