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

If you have sold or otherwise transferred all your shares in BEP International Holdings Limited, you should at once hand this document and the accompanying Form of Acceptance to the purchaser(s) or transferee(s) or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

This document should be read in conjunction with the accompanying Form of Acceptance, the contents of which form part of the terms and conditions of the Offer.

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# **LONG CHANNEL INVESTMENTS LIMITED**

*(incorporated in the British Virgin Islands with limited liability)*

**UNCONDITIONAL MANDATORY CASH OFFER BY  
GT CAPITAL LIMITED  
ON BEHALF OF  
LONG CHANNEL INVESTMENTS LIMITED  
FOR ALL THE ISSUED SHARES IN  
BEP INTERNATIONAL HOLDINGS LIMITED  
(STOCK CODE: 2326)  
(OTHER THAN THOSE SHARES ALREADY OWNED OR  
AGREED TO BE ACQUIRED BY  
LONG CHANNEL INVESTMENTS LIMITED,  
MR. SUEN CHO HUNG, PAUL AND  
PARTIES ACTING IN CONCERT WITH ANY OF THEM)**

**FINANCIAL ADVISER TO THE OFFEROR  
CHANCETON CAPITAL  
川盟融資有限公司  
CHANCETON CAPITAL PARTNERS LIMITED**

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A letter from Chanceton Capital Partners Limited containing, among other things, details of the terms of the Offer are set out on pages 5 to 15 of this document.

The procedures for acceptance and settlement of the Offer and other related information are set out in Appendix I to this document and in the accompanying Form of Acceptance. Acceptance of the Offer should be received by the Registrar, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong no later than 4:00 p.m. on 13 August 2009 or such later time and/or date as the Offeror may determine and announce in accordance with the Takeovers Code.

16 July 2009

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## EXPECTED TIMETABLE

2009

Offer commences ( <i>Note 1</i> ) . . . . .	Thursday, 16 July
Latest time for the posting of the Offeree Document ( <i>Note 2</i> ) . . . . .	Thursday, 30 July
Latest time for acceptance of the Offer . . . . .	4:00 p.m. on Thursday, 13 August
Closing date of the Offer ( <i>Note 3</i> ) . . . . .	Thursday, 13 August
Announcement of the results of the Offer uploaded to the Stock Exchange's website . . . . .	on or before 7:00 p.m. on Thursday, 13 August
Latest date for posting of remittance for the amount due in respect of valid acceptance of the Offer lodged on or before 4:00 p.m. on the Closing Date ( <i>Note 4</i> ) . . . . .	Friday, 21 August

*Notes:*

1. The Offer is made on 16 July 2009, being the date of posting of this offer document, and is capable of acceptance on and from that date.
2. In accordance with the Takeovers Code, the Company is required to post the Offeree Document to the Shareholders within 14 days from the posting of this offer document, unless the Executive consents to a later date and the Offeror agrees to extend the Closing Date.
3. In accordance with the Takeovers Code, where the Offeree Document is posted after the date on which the offer document is posted, the Offer must remain open for acceptance for at least 28 days following the date on which the offer document is posted. The Offeror reserves its right to revise or extend the Offer in accordance with the Takeovers Code (or as permitted by the Executive in accordance with the Takeovers Code). The Offeror will issue an announcement in relation to any revision or extension of the Offer, which will state the next closing date.
4. Acceptance of the Offer shall be irrevocable and not capable of being withdrawn unless the Executive requires that a right of withdrawal is granted in the event that the requirements of Rule 19 of the Takeovers Code have not been complied with. Pursuant to the Takeovers Code, remittance in respect of the consideration payable for the Shares tendered under the Offer will be posted to the Shareholders by ordinary post at their own risk as soon as possible but in any event within 10 days after the receipt by the Registrar of all relevant documents to render the relevant acceptance under the Offer complete and valid.

All times and dates in this offer document refer to Hong Kong local times and dates.

## DEFINITIONS

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

“acting in concert”	shall have the meaning ascribed to it in the Takeovers Code
“Announcement”	the joint announcement date 25 June 2009 issued by the Offeror and the Company in relation to the Offer
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Big Jump”	Big Jump Investments Limited, a company incorporated in the British Virgin Islands and is wholly owned by Mr. Zhang
“Board”	the board of Directors from time to time
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Chanceton Capital”	Chanceton Capital Partners Limited, a company incorporated in Hong Kong with limited liability and licensed under the SFO to carry out type 6 regulated activity (advising on corporate finance), being the financial adviser to the Offeror in relation to the Offer
“Closing Date”	Thursday, 13 August 2009, being the closing date of the Offer (or such later date as may be determined and announced by the Offeror in accordance with the Takeovers Code)
“Company”	BEP International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Completion”	the simultaneous completion of the sale and purchase of the Sale Shares and the Sale Debts contemplated under the Sale and Purchase Agreement, which took place on 24 June 2009
“Director(s)”	the director(s) of the Company from time to time
“Elite Agent”	Elite Agent Limited, a company incorporated in the British Virgin Island and is wholly owned by Mr. Chan
“Executive”	the Executive Director of the Corporate Finance Division of the SFC from time to time or any delegate of the Executive Director

## DEFINITIONS

“Form of Acceptance”	the form of acceptance and transfer of shares in respect of the Offer accompanying this document
“Group”	the Company and its subsidiaries
“GT Capital”	GT Capital Limited, a company incorporated in Hong Kong with limited liability and licensed under the SFO to carry out regulated activities of type 1 (dealing in securities) and type 4 (advising on securities)
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent committee of the Board, comprising all the independent non-executive Directors who have no direct or indirect interest in the Offer, namely Mr. Siu Hi Lam, Alick, Mr. Chan Kwong Fat, George and Mr. To Yan Ming, Edmond, has been formed to advise the Independent Shareholders in respect of the Offer
“Independent Shareholder(s)”	Shareholder(s) other than the Offeror, Mr. Suen and parties acting in concert with any of them
“Irrevocable Undertaking”	the irrevocable undertaking given by the Vendors to the Offeror pursuant to which the Vendors had jointly and severally undertaken that they would duly exercise their contractual rights under Share Charge so that Mr. Zhang should not be able to accept the Offer in connection with the 750,000,000 Shares (which is and will continue to be subject to the Share Charge)
“Last Trading Day”	Friday, 17 October 2008, being the last full trading day before trading of the Shares was suspended at the request of the Company
“Latest Practicable Date”	Monday, 13 July 2009, being the latest practicable date prior to the printing of this document for the purpose of ascertaining certain information for inclusion herein
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Longtale”	Longtale International Limited, a company incorporated in the British Virgin Island which is wholly owned by Mr. Chan

## DEFINITIONS

“Mr. Chan”	Mr. Chan James Chun Hung, the sole shareholder and sole director of each of the Vendors
“Mr. Suen”	Mr. Suen Cho Hung, Paul, the ultimate beneficial owner of the Offeror
“Mr. Zhang”	Mr. Zhang Xi, the Chairman and the executive Director of the Company
“Offer”	the unconditional mandatory cash offer to be made by GT Capital on behalf of the Offeror to acquire all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror, Mr. Suen and parties acting in concert with any of them) at HK\$0.00814 per Offer Share
“Offer Price”	HK\$0.00814 per Offer Share
“Offer Share(s)”	Share(s) not already owned or agreed to be acquired by the Offeror, Mr. Suen and parties acting in concert with any of them
“Offeree Document”	the response document in respect of the Offer to be issued by the Company to the Independent Shareholders in accordance with the Takeovers Code
“Offeror” or “Purchaser”	Long Channel Investments Limited, a company incorporated in the British Virgin Islands with limited liability, which is wholly and beneficially owned by Loyal Giant Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, which is in turn wholly and beneficially owned by Mr. Suen
“Promissory Notes”	the zero-interest promissory notes in the aggregate principal amount of HK\$12,000,000 issued by the Purchaser to Elite Agent in satisfaction of part of the consideration for the Sale Debts
“Registrar”	Tricor Secretaries Limited, the Hong Kong branch share registrar and transfer office of the Company at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong
“Relevant Period”	the period between 25 December 2008 (being the date falling six months prior to 25 June 2009, the date of the Announcement) and the Latest Practicable Date, both dates inclusive

## DEFINITIONS

“Sale and Purchase Agreement”	the agreement entered into on 10 June 2009 between the Offeror, the Vendors, Mr. Chan and Mr. Suen for the sale and purchase of the Sale Shares and the Sale Debts
“Sale Debts”	an aggregate amount of HK\$17,170,260 and RMB 4,000,000 (equivalent to approximately HK\$4,520,000 based on the exchange rate of RMB1 = HK\$1.13) representing the debts owed by the Company or member(s) of the Group to Elite Agent immediately before Completion
“Sale Shares”	the 2,703,000,000 Shares acquired by the Offeror from the Vendors pursuant to the Sale and Purchase Agreement
“SFC”	Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.0005 each in the share capital of the Company
“Share Charge”	the charge of shares dated 8 January 2008 and subsequently varied by the deed of variation dated 9 July 2008 entered into between Big Jump as chargor and the Vendors as chargees, by which 3,453,000,000 Shares were charged by Big Jump unto the Vendors to secure all the obligations of Mr. Zhang (being the sole shareholder of Big Jump) to repay the loans and all interests accrued due to the Vendors
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Vendors”	Elite Agent and Longtale
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM CHANCETON CAPITAL

**CHANCETON CAPITAL**

川盟融資有限公司

Chanceton Capital Partners Limited  
Suites 06-12, 33/F.  
Shui On Centre  
6-8 Harbour Road  
Wanchai, Hong Kong

16 July 2009

*To the Independent Shareholders*

Dear Sir/Madam,

**UNCONDITIONAL MANDATORY CASH OFFER BY  
GT CAPITAL LIMITED  
ON BEHALF OF  
LONG CHANNEL INVESTMENTS LIMITED  
FOR ALL THE ISSUED SHARES IN  
BEP INTERNATIONAL HOLDINGS LIMITED  
(OTHER THAN THOSE SHARES ALREADY OWNED OR  
AGREED TO BE ACQUIRED BY  
LONG CHANNEL INVESTMENTS LIMITED,  
MR. SUEN CHO HUNG, PAUL AND  
PARTIES ACTING IN CONCERT WITH ANY OF THEM)**

**INTRODUCTION**

It was jointly announced on 25 June 2009 by the Offeror and the Company that GT Capital would make the unconditional mandatory cash offer on behalf of the Offeror for all the Shares not already owned or agreed to be acquired by the Offeror, Mr. Suen and parties acting in concert with any of them in accordance with the Takeovers Code.

This letter, together with the Appendice hereto and the Form of Acceptance, set out the terms and other details of the Offer, information of the Offeror and intention of the Offeror regarding the Group.

Pursuant to the Takeovers Code, the Company has appointed Guangdong Securities Limited as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer. The Company is required to despatch to the Independent Shareholders the Offeree Document containing, among other things, the respective advice of the Independent Board Committee and the independent financial adviser in respect of the Offer within 14 days after the posting of this document. You are strongly advised to wait for the receipt of the Offeree Document before deciding whether or not to accept the Offer.

## LETTER FROM CHANCETON CAPITAL

### BACKGROUND

Pursuant to the Share Charge, Big Jump had charged a total number of 3,453,000,000 Shares (including the 2,703,000,000 Sale Shares), representing approximately 71.17% of the issued share capital of the Company as at the Latest Practicable Date, in favour of the Vendors as security for the facilities granted by the Vendors to Mr. Zhang under a loan agreement between the Vendors as lender and Mr. Zhang as borrower.

Mr. Zhang had defaulted in repaying the loan due to the Vendors, and thus the power of sale conferred upon the Vendors under the Share Charge had become enforceable.

In addition, immediately before Completion, the Sale Debts in the aggregate amount of HK\$17,170,260 and RMB4,000,000 were owed by the Company and other members of the Group to Elite Agent (being one of the Vendors).

The Purchaser (as purchaser), the Vendors (as vendors), Mr. Suen (as guarantor of the Purchaser) and Mr. Chan (as guarantor of the Vendors) entered into the Sale and Purchase Agreement on 10 June 2009, pursuant to which the Vendors agreed to sell and the Purchaser agreed to purchase (i) the Sale Shares, being part of the Shares subject to the Share Charge, by the exercise of the Vendors' power of sale under the Share Charge, for a consideration of HK\$9,000,000; and (ii) the Sale Debts, being the aggregate amount of HK\$17,170,260 and RMB4,000,000, for a total consideration of HK\$13,000,000. The sale and purchase of the Sale Shares and the Sale Debts under the Sale and Purchase Agreement was completed on 24 June 2009.

### THE SALE AND PURCHASE OF THE SALE SHARES AND SALE DEBTS

**Date:**

10 June 2009

**Parties:**

**Vendors:** Elite Agent and Longtale, to the best of the knowledge of the Offeror, both being independent third parties which are not connected with any of the directors, chief executive, substantial shareholders of the Company or any of their respective subsidiaries, or an associate of any of them. The Vendors were the chargees of the Sale Shares pursuant to the Share Charge, and Elite Agent was the beneficial owner of the Sale Debts.

**Purchaser:** the Offeror, being an independent third party which is not connected with any of the directors, chief executive, substantial shareholders of the Company or any of their respective subsidiaries, or an associate of any of them.

## LETTER FROM CHANCETON CAPITAL

**Vendors' Guarantor:** Mr. Chan, the sole shareholder and sole director of each of the Vendors. Mr. Chan has agreed to guarantee the Vendors' complete and punctual performance of all their obligations under the Sale and Purchase Agreement.

**Purchaser's Guarantor:** Mr. Suen, the ultimate beneficial owner and the sole director of the Purchaser. Mr. Suen has agreed to guarantee the Purchaser's complete and punctual performance of all its obligations under the Sale and Purchase Agreement.

### **Sale Shares:**

2,703,000,000 Shares, representing approximately 55.71% of the issued share capital of the Company as at the Latest Practicable Date. The Sale Shares have been acquired by the Offeror free from any liens, charges, encumbrances, rights of pre-emption and any other third-party rights of any nature and together with all rights attaching to them, including the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after the date of the Sale and Purchase Agreement.

### **Sale Debts:**

An aggregate amount of HK\$17,170,260 and RMB4,000,000 (equivalent to approximately HK\$4,520,000 based on the exchange rate of RMB1 = HK\$1.13), which represents the debts owed by the Company or other member(s) of the Group to Elite Agent immediately before Completion.

### **Consideration:**

The aggregate consideration is HK\$22,000,000, of which HK\$9,000,000 is for the Sale Shares, and HK\$13,000,000 for the Sale Debts. The consideration was arrived at after arms' length negotiation between the parties to the Sale and Purchase Agreement.

The consideration of HK\$22,000,000 has been paid by the Purchaser by way of (i) HK\$9,000,000, being the entire consideration for the Sale Shares, in cash upon Completion; (ii) HK\$1,000,000, being part payment of the consideration for the Sale Debts, in cash upon Completion; and (iii) HK\$12,000,000, being the remaining part of the consideration for the Sale Debts, by the Promissory Notes, which have been secured by a cash deposit of HK\$12,000,000 held by an escrow agent jointly appointed by the Vendors and the Offeror from the date of Completion until the expiry of the Promissory Notes.

### **Completion of the Sale and Purchase Agreement:**

The Offeror has waived certain conditions precedent in the Sale and Purchase Agreement and the sale and purchase of the Sale Shares and the Sale Debts under the Sale and Purchase Agreement was completed on 24 June 2009.

# LETTER FROM CHANCETON CAPITAL

## THE UNCONDITIONAL MANDATORY CASH OFFER

Following the completion of the acquisition of the Sale Shares by the Offeror, the Offeror, Mr. Suen and the parties acting in concert with any of them own an aggregate of 2,703,000,000 Shares, representing approximately 55.71% of the issued share capital of the Company as at the Latest Practicable Date. Accordingly, the Offeror is required to make the Offer, being an unconditional mandatory cash offer, for all the issued Shares not already owned or agreed to be acquired by the Offeror, Mr. Suen and parties acting in concert with any of them pursuant to Rule 26.1 of the Takeovers Code.

### Principal terms of the Offer:

The Offeror has appointed Chanceton Capital as its financial adviser in relation to the Offer. The Offeror has also appointed GT Capital as the agent to make the Offer on its behalf on the following terms and in accordance with Rule 26 of the Takeovers Code.

For every Offer Share . . . . . HK\$0.00814 in cash

The Offer is not conditional upon any minimum level of acceptances of the Offer. The Offer is unconditional in all respects.

### Basis of the Offer:

The Offer Price of HK\$0.00814 per Share was fixed with reference to and is not less than the aggregate consideration payable under the Sale and Purchase Agreement for the Sale Shares and the Sale Debts, which amounted to HK\$22,000,000, divided by the number of Sales Shares. The Offer Price represents:

- (i) a discount of approximately 89.83% to the closing price of HK\$0.0800 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 90.79% to the average of the closing prices of the Shares of HK\$0.0884 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 91.04% to the average of the closing prices of the Shares of HK\$0.0908 per Share as quoted on the Stock Exchange for the ten consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 92.89% to the average of the closing prices of the Shares of approximately HK\$0.1145 per Share as quoted on the Stock Exchange for the thirty consecutive trading days up to and including the Last Trading Day; and
- (v) a premium of approximately 53.58% to the audited consolidated net asset value per Share of approximately HK\$0.0053 as at 31 March 2008, calculated based on the Group's audited consolidated net asset value of approximately HK\$25,728,000 as at 31 March 2008, and the issued share capital of 4,852,000,000 Shares as at 31 March 2008.

## LETTER FROM CHANCETON CAPITAL

The unaudited consolidated net deficits of the Group was approximately HK\$0.00834 per Share calculated on the basis of the unaudited consolidated net deficits of the Group attributable to Shareholders of approximately HK\$40,442,000 as at 30 September 2008, being the date to which the latest published unaudited interim financial statements of the Company were made up, and the issued share capital of 4,852,000,000 Shares as at 30 September 2008.

No comparison of the Offer Price to the closing price as at (i) the Latest Practicable Date; (ii) the last trading day of each of the calendar months during the Relevant Period is available due to the trading of the Shares on the Stock Exchange has been suspended since 20 October 2008.

### **Highest and lowest Share prices:**

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the six month period preceding the Last Trading Day and ending on the Latest Practicable Date were HK\$0.38 per Share on 21 April 2008 and HK\$0.08 per Share on 17 October 2008 respectively.

### **Value of the Offer:**

As at the Latest Practicable Date, save for the 4,852,000,000 Shares in issue, the Company does not have any other Shares, outstanding options, derivatives, warrants or securities which are convertible or exchangeable into Shares.

On the basis of the Offer Price of HK\$0.00814 per Offer Share, the entire existing issued share capital of the Company as at the Latest Practicable Date, being 4,852,000,000 Shares, is valued at approximately HK\$39.50 million. On the basis that the Offeror, Mr. Suen and parties acting in concert with any of them own 2,703,000,000 Shares following the completion of the acquisition of the Sale Shares, 2,149,000,000 Shares are subject to the Offer. Accordingly, the Offer is valued at approximately HK\$17.50 million based on the Offer Price.

The Vendors have given the Irrevocable Undertaking to the Offeror pursuant to which the Vendors have jointly and severally undertaken that they would duly exercise their contractual rights under Share Charge so that Mr. Zhang should not be able to accept the Offer in connection with the 750,000,000 Shares (which is and will continue to be subject to the Share Charge) during the subsistence of the Share Charge and there is no circumstance in which this Irrevocable Undertaking may cease to be binding.

### **Financial resources available to the Offeror:**

The financial adviser to the Offeror, Chanceton Capital, is satisfied that sufficient financial resources are available to the Offeror to satisfy acceptances in full of the Offer. The Offeror will finance the Offer by its own internal resources.

## LETTER FROM CHANCETON CAPITAL

### **Payment:**

Payment in cash in respect of the acceptances of the Offer will be made as soon as possible but in any event within 10 days of the date on which the relevant documents of title are received by the Offeror to render each such acceptance complete and valid.

### **Effect of accepting the Offer:**

By accepting the Offer, Shareholders will sell their Shares free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to them as at the date of the despatch of the Offeree Document, including the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after the date of the despatch of the Offeree Document.

### **Stamp duty:**

Seller's ad valorem stamp duty for the Shares arising in connection with acceptances of the Offer will be payable by the relevant Shareholder at the rate of HK\$1 for every HK\$1,000 or part thereof of the consideration payable by the Offeror for such Shareholders' Shares and will be deducted from the cash amount due to such Shareholders under the Offer.

### **Other arrangements:**

As at the Latest Practicable Date, save for the Sale Shares acquired by the Offeror pursuant to the Sale and Purchase Agreement and the Irrevocable Undertaking, there is no agreement or arrangement to which the Offeror is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or condition to the Offer and there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the shares of the Offeror or the Shares which might be material to the Offer.

### **Further terms of the Offer:**

Further terms and conditions of the Offer including, among other things, procedures of acceptance and settlement, the acceptance period and taxation matters are set out in Appendix I to this document and in the Form of Acceptance.

### **INFORMATION ON THE GROUP**

The Company was incorporated in Bermuda with limited liability and its Shares are listed on the Main Board of the Stock Exchange. The Group is principally engaged in the trading of home electrical appliances and electronic components.

## LETTER FROM CHANCETON CAPITAL

The following table is a summary of the Group's audited financial information for the two years ended 31 March 2008 and unaudited financial information for the six months ended 30 September 2008:

	Year ended 31 March		Six months ended 30 September
	2007	2008	2008
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Turnover	385,393,000	345,331,000	73,335,000
Profit/(loss) before taxation	13,847,000	(41,996,000)	(54,554,000)
Profit/(loss) after taxation	13,483,000	(35,956,000)	(55,143,000)
Consolidated net assets/ (Consolidated net deficits)	50,696,000	25,728,000	(40,442,000)

### CHANGE OF SHAREHOLDING STRUCTURE

The following table sets out the shareholding structure of the Company immediately before and after Completion and as at the Latest Practicable Date:

	Immediately before Completion		Immediately after Completion and as at the Latest Practicable Date	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
	Big Jump	3,453,000,000 <i>(Note 1)</i>	71.17	750,000,000 <i>(Note 2)</i>
The Offeror, Mr. Suen and parties acting in concert with any of them	–	–	2,703,000,000	55.71
Public Shareholders	<u>1,399,000,000</u>	<u>28.83</u>	<u>1,399,000,000</u>	<u>28.83</u>
Total	<u><u>4,852,000,000</u></u>	<u><u>100.00</u></u>	<u><u>4,852,000,000</u></u>	<u><u>100.00</u></u>

## LETTER FROM CHANCETON CAPITAL

### *Notes:*

1. Pursuant to the Share Charge, Big Jump had charged a total number of 3,453,000,000 Shares (including the 2,703,000,000 Sale Shares), representing approximately 71.17% of the issued share capital of the Company as at the Latest Practicable Date, in favour of the Vendors as security for the facilities granted by the Vendors to Mr. Zhang under a loan agreement between the Vendors as lender and Mr. Zhang as borrower. The Vendors were therefore deemed to be interested in 3,453,000,000 Shares under the SFO immediately before Completion. Mr. Zhang had defaulted in repaying the loan due to the Vendors, and thus the power of sale conferred upon the Vendors under the Share Charge had become enforceable. None of the 3,453,000,000 Shares subject to the Share Charge immediately before Completion nor the attached voting rights had been transferred to the Vendors.
2. Immediately after Completion and as at the Latest Practicable Date, 750,000,000 Shares remained to be subject to the Share Charge, and the Vendors are deemed to be interested in such 750,000,000 Shares under the SFO. The Vendors had given the Irrevocable Undertaking to the Offeror by which the Vendors had jointly and severally undertaken that they would duly exercise their contractual rights under the Share Charge so that Mr. Zhang should not be able to accept the Offer in connection with the 750,000,000 Shares (which is and will continue to be subject to the Share Charge) during the subsistence of the Share Charge.

### **INFORMATION ABOUT THE OFFEROR**

The Offeror is a company incorporated in the British Virgin Islands with limited liability and is wholly and beneficially owned by Loyal Giant Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, which is in turn wholly and beneficially owned by Mr. Suen. Other than entering into the Sale and Purchase Agreement and carrying out the transactions contemplated thereunder, the Offeror has not conducted any other business activities since its incorporation. As at the Latest Practicable Date, Mr. Suen is the sole director of the Offeror and Loyal Giant Holdings Limited. The biographical details of Mr. Suen are set out under the section headed "Proposed Change of Board Composition" below.

### **OFFEROR'S INTENTION ON THE GROUP**

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 9:30 a.m. on 20 October 2008. As detailed in the announcement of the Company dated 2 March 2009, the Stock Exchange issued a letter dated 16 February 2009 informing the Company that, in view of the cessation of the Group's existing principal business and the prolonged suspension of trading in the Shares, the Company has been placed in the first stage of the delisting procedures pursuant to Practice Note 17 to the Listing Rules from the date of suspension. The Stock Exchange has also informed the Company that the Company is required to address certain issues as detailed in the aforesaid announcement, including, but not limited to, the submission of a viable resumption proposal to demonstrate that the Company has a sufficient level of operations or has assets of sufficient value as required under Rule 13.24 of the Listing Rules, before any application for resumption of trading in the Shares can be considered.

## LETTER FROM CHANCETON CAPITAL

It is the intention of the Offeror to hold the Sale Shares as long-term investment. The Offeror also intends to continue the existing business of the Group and, leveraging on the business network and management expertise of the new Directors to be appointed, to explore opportunities to further expand the Group's existing business. It is also the intention of the Offeror to provide financial resources to the Company as and when necessary with an aim to boost the scale of the existing business of the Group which may, in the opinion of the Offeror, benefit from the recent signs of global economy recovery. The Offeror believes that, with the support of the Offeror as mentioned above, the Company will be in a position to submit a viable resumption proposal in near future.

The Offeror will conduct a detailed review of the existing business and operations of the Group with a view to formulating a long term strategy for the Group and explore other business opportunities and consider whether any redeployment of fixed assets of the Group or any assets and/or business acquisitions by the Group will be appropriate in order to enhance its growth and future development. In the event that any of such opportunities materializes, further announcement(s) will be made as and when required by the Listing Rules. As at the Latest Practicable Date, the Offeror has no detailed plans for acquisition of any specific assets and/or business(es) by the Group, or redeployment of fixed assets of the Group, and has not yet identified any specific target of acquisition.

The Offer represents an opportunity for Shareholders to realise their investment in the Shares.

### PROPOSED CHANGE OF BOARD COMPOSITION

The Board currently comprises eight Directors, of which five are executive Directors, being Mr. Zhang Xi, Mr. Cai Duan Hong, Ms. Zhang Yu, Mr. Li Hiu Ming and Mr. Poon Hor On; and three are independent non-executive Directors, being Mr. Siu Hi Lam, Alick, Mr. Chan Kwong Fat, George and Mr. To Yan Ming, Edmond.

Mr. Zhang Xi, Mr. Cai Duan Hong, Ms. Zhang Yu, being the executive Directors, will resign from the Board with effect from the earliest time as permitted under the Takeovers Code. The Offeror intends to nominate two new Directors to the Board, namely Mr. Suen Cho Hung, Paul and Mr. Sue Ka Lok with effect from the earliest time permitted under the Takeovers Code. Any changes to the Board will be made in compliance with the Takeovers Code and the Listing Rules and further announcement(s) will be made accordingly.

The biographical details of the proposed new Directors are set out as follows:

Mr. Suen Cho Hung, Paul, aged 48, holds a Master of Business Administration degree from the University of South Australia. Mr. Suen is an executive director and the Chairman of Poly Development Holdings Limited, a listed company in Hong Kong (Stock Code: 1141). Mr. Suen is also an executive director and the Chairman of China Yunnan Tin Minerals Group Company Limited (Stock Code: 263). Mr. Suen has extensive experience in project investment in various businesses as well as strategic planning and corporate management of business enterprises in Hong Kong and the People's Republic of China.

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Mr. Sue Ka Lok, aged 44, graduated from the University of Sydney, Australia with a Bachelor of Economics degree and holds a Master of Science in Finance degree from the City University of Hong Kong. Mr. Sue is an executive director of Poly Development Holdings Limited, a listed company in Hong Kong (Stock Code: 1141). He is also an executive director and the Chief Executive Officer of China Yunnan Tin Minerals Group Company Limited (Stock Code: 263). Mr. Sue is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Hong Kong Institute of Chartered Secretaries and a member of the Hong Kong Securities Institute. Mr. Sue has extensive experience in corporate management, finance, accounting and company secretarial practice.

Save as disclosed herein, the Offeror does not intend to introduce any major changes to the existing business and the operation and management structure of the Company, or to the continued employment of employees of the Group, as a result of the Offer.

### MAINTAINING THE LISTING STATUS OF THE COMPANY

The Offeror intends to maintain the listing of the Shares on the Stock Exchange after the close of the Offer. The new Directors to be nominated by the Offeror to the Board and the sole director of the Offeror will undertake to the Stock Exchange to take appropriate steps as soon as possible following the close of the Offer to ensure that not less than 25% of the issued Shares will be held by the public.

### COMPULSORY ACQUISITION

The Offeror, Mr. Suen together with parties acting in concert with any of them do not intend to exercise any right which may be available under the provisions of the Companies Act 1981 of Bermuda to acquire compulsorily, after the Offer is closed, any outstanding issued Shares not acquired under the Offer.

### DEALINGS DISCLOSURE

In accordance with Rule 3.8 of the Takeovers Code, the associates (as defined under the Takeovers Code) of the Company and the Offeror are hereby reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

#### **“Responsibilities of stockbrokers, banks and other intermediaries**

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 (of the Takeovers Code) and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules (of the Takeovers Code). However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7-day period is less than HK\$1 million.*

## LETTER FROM CHANCETON CAPITAL

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved. Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation."*

### GENERAL

To ensure equality of treatment of all Shareholders, those registered Shareholders who hold Shares as nominee for more than one beneficial owner should, as far as practicable, treat the holding of each beneficial owner separately. In order for the beneficial owners of Shares whose investments are registered in the names of nominees to accept the Offer, it is essential that they provide instructions to their nominees of their intentions with regard to the Offer.

**Shareholders and investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.**

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 9:30 a.m. on 20 October 2008 and will remain suspended until further notice.

The attention of the Shareholders with a registered address in jurisdiction outside Hong Kong is drawn to the section headed "Overseas Shareholders" in Appendix I to this document.

### ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this document, which form part of this document.

**Shareholders and investors are also advised to read the Offeree Document, which will contain, amongst others, the recommendation of the Independent Board Committee and the letter of advice from the independent financial adviser, Guangdong Securities Limited, before deciding whether or not to accept the Offer.**

Yours faithfully,  
for and on behalf of  
**CHANCETON CAPITAL PARTNERS LIMITED**  
**Johnny Wong**  
*Managing Director*

**1. PROCEDURES FOR ACCEPTANCE**

- (a) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in your name, and you wish to accept the Offer, you must send the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof), by post or by hand to the Registrar.
- (b) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title in respect of your Shares is/are in the name of a nominee company or a name other than your own, and you wish to accept the Offer whether in full or in part of your Shares, you must:
- (i) lodge your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof), with the nominee company, or other nominee, and with instructions authorising it to accept the Offer on your behalf and requesting it to deliver the Form of Acceptance duly completed together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Registrar; or
  - (ii) arrange for the Shares to be registered in your name by the Company through the Registrar and send the Form of Acceptance duly completed and signed together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Registrar; or
  - (iii) if your Shares have been lodged with your licensed securities dealer/custodian bank through CCASS, instruct your licensed securities dealer/custodian bank to authorize HKSCC Nominees Limited to accept the Offer on your behalf on or before the deadline set by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, you should check with your licensed securities dealer/custodian bank for the timing on processing of your instruction, and submit your instruction to your licensed securities dealer/custodian bank as required by them; or
  - (iv) if your Shares have been lodged with your Investor Participant's Account with CCASS, authorise your instruction via the CCASS Phone System or CCASS Internet System before the deadline set by HKSCC Nominees Limited.

- (c) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title in respect of your Shares is/are not readily available and/or is/are lost, as the case may be, and you wish to accept the Offer, the Form of Acceptance should nevertheless be completed and delivered to the Registrar together with a letter stating that you have lost one or more of your share certificate(s) and/or transfer receipt(s) and/or other document(s) of title or that it/they is/are not readily available. If you find such document(s) or if it/they become(s) available, it/they should be forwarded to the Registrar as soon as possible thereafter. If you have lost your share certificate(s) and/or transfer receipt(s) and/or other document(s) of title, you should also write to the Registrar a letter of indemnity which, when completed in accordance with the instruction given, should be returned to the Registrar.
- (d) If you have lodged transfer(s) of any of your Shares for registration in your name and have not yet received your share certificate(s), and you wish to accept the Offer, you should nevertheless complete and sign the Form of Acceptance and deliver it to the Registrar together with the transfer receipt(s) duly signed by yourself. Such action will be deemed to be an irrevocable authority to any of the Offeror and GT Capital, or their respect agent(s), to collect from the Company or the Registrar on your behalf the relevant share certificate(s) when issued and to deliver such share certificates to the Registrar and to authorise and instruct the Registrar to hold such share certificate(s), subject to the terms and conditions of the Offer, as if it/they were delivered to the Registrar with the Form of Acceptance.
- (e) An acceptance of the Offer may not be counted as valid unless:
- (i) the Form(s) of Acceptance together with the relevant documents required under paragraph (ii) below are received by the Registrar on or before 4:00 p.m. on the Closing Date or such later time and/or date as the Offeror may determine and announce in accordance with the Takeovers Code and the Registrar has recorded that such acceptance and any relevant documents required under paragraph (ii) below have been so received; and
  - (ii) the Form of Acceptance is duly completed and signed and is:
    - (1) accompanied by share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and, if that/those share certificate(s) is/are not in your name, such other documents (e.g. a duly stamped transfer of the relevant Shares in blank or in favour of the acceptor executed by the registered holder) in order to establish your right to become the registered holder of the relevant Shares; or

- (2) from a registered Shareholder or his personal representatives (but only up to the amount of the registered holding and only to the extent that the acceptance relates to the Shares which are not taken into account under the other subparagraph of this paragraph (e)); or
- (3) certified by the Registrar or the Stock Exchange.

If the Form of Acceptance is executed by a person other than the registered Shareholder, appropriate documentary evidence of authority (e.g. grant of probate or certified copy of a power of attorney) to the satisfaction of the Registrar must be produced.

- (f) No acknowledgement of receipt of any Form of Acceptance, share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.
- (g) The address of the Registrar, Tricor Secretaries Limited, is at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.

## 2. SETTLEMENT

- (a) Provided that the Form of Acceptance and the relevant share certificate(s) and/or transfer receipt(s) and/or any document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) are complete and in good order and have been received by the Registrar by no later than 4:00 p.m. on the Closing Date or if the Offer is revised or extended, the closing date of the Offer as revised or extended by the Offeror in accordance with the Takeover Code, a cheque for the amount due to each accepting Shareholder in respect of the Shares tendered by him under the Offer, less seller's ad valorem stamp duty payable by him, will be despatched to each accepting Shareholder at the address specified on the Form of Acceptance by ordinary post at his own risk as soon as possible but in any event, within 10 days of the date on which all the relevant documents are received by the Registrar to render such acceptance complete and valid.
- (b) Settlement of the consideration to which any accepting Shareholder(s) is/are entitled under the Offer will be implemented in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such accepting Shareholders.

**3. ACCEPTANCE PERIOD AND REVISIONS**

- (a) Unless the Offer has previously been extended or revised in accordance with the Takeovers Code, the latest time and date for acceptance will be 4:00 p.m. on the Closing Date in accordance with the instructions printed on the Form of Acceptance and the Offer will be closed on the Closing Date.
- (b) The Offeror reserves the right to revise the Offer after the despatch of this document until such day as it may determine and in accordance with the Takeovers Code. If the Offeror revises the terms of the Offer, all Shareholders, whether or not they have already accepted the Offer, will be entitled to accept the revised Offer under the revised terms.
- (c) If the Offer is revised, the announcement of such revision will state the revised date of closing.
- (d) If the Offer is revised, it will remain open for acceptance for a period of not less than 14 days from the posting of the revised offer document to the Shareholders.

**4. ANNOUNCEMENTS**

- (a) By 6:00 p.m. on the Closing Date or such later time and/or date as the Offeror may determine and announce in accordance with the Takeovers Code, the Offeror must inform the Executive and the Stock Exchange of its decision in relation to the revision, extension or expiry of the Offer. The Offeror must post an announcement on the Stock Exchange's website by 7:00 p.m. on the Closing Date stating the results of the Offer and whether the Offer has been revised, extended or expired as the Executive may approve. The announcement must state the following:
  - (i) the total number of Shares and rights over Shares for which acceptances of the Offer have been received;
  - (ii) the total number of Shares and rights over Shares held, controlled or directed by the Offeror, Mr. Suen or parties acting in concert with any of them before the offer period (as defined under the Takeovers Code); and
  - (iii) the total number of Shares and rights over Shares acquired or agreed to be acquired during the offer period (as defined under the Takeovers Code) by the Offeror, Mr. Suen or parties acting in concert with any of them.

The announcement must include details of any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror, Mr. Suen or any person acting in concert with any of them has borrowed or lent, save for any borrowed Shares which have been either on-lent or sold.

The announcement must also specify the percentages of the issued share capital of the Company and the percentages of voting rights of the Company represented by these numbers of Shares.

- (b) In computing the total number of Shares represented by acceptances, for announcement purpose, acceptances which are not complete in all respect or are subject to verification may only be counted as valid if such acceptances fulfill the acceptance conditions set out under paragraph 1(e) of this Appendix.
- (c) As required under the Takeovers Code, all announcements in relation to the Offer will be made in accordance with the requirements of the Listing Rules.

## 5. RIGHT OF WITHDRAWAL

- (a) Acceptance of the Offer tendered by the Shareholders shall be irrevocable and cannot be withdrawn except in the circumstances set out in (b) below.
- (b) If the Offeror is unable to comply with the requirements set out in the paragraph headed "Announcements" in this Appendix, the Executive may require that the Shareholders who have tendered acceptances to the Offer be granted a right of withdrawal on terms that are acceptable to the Executive until the requirements set out in that paragraph are met.

If the Offer is withdrawn with the consent of the Executive in accordance with the Takeovers Code, the Offeror shall, as soon as possible but in any event within 10 days thereof, return by ordinary post the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any indemnity or indemnities required in respect thereof) in respect of the Shares lodged with the Form of Acceptance to the relevant Shareholders who have tendered acceptances to the Offer.

## 6. STAMP DUTY

Seller's ad valorem stamp duty at a rate of HK\$1 for every HK\$1,000 or part thereof of the consideration payable by the Offeror in respect of the relevant acceptance of the Offer will be deducted from the amount payable to the relevant Shareholder on acceptance of the Offer. The Offeror will arrange for payment of the stamp duty on behalf of accepting Shareholders in connection with the acceptance of the Offer and the transfer of the Offer Shares.

## 7. TAXATION

Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of their accepting the Offer. None of the Offeror, Mr. Suen and parties acting in concert with any one of them and GT Capital or any of their respective directors and agents or any persons involved in the Offer accepts responsibility for any tax effects or liabilities of any person or persons as a result of their acceptance of the Offer.

## 8. OVERSEAS SHAREHOLDERS

The making of the Offer to persons with a registered address in jurisdiction outside Hong Kong may be prohibited or affected by the laws of the relevant jurisdiction. Shareholders who are citizens or residents or nationals of jurisdictions outside Hong Kong should obtain appropriate legal advice on, inform themselves about and observe any applicable legal requirement. It is the responsibility of each person who wishes to accept the Offer to satisfy himself, herself or itself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with other necessary formalities or legal requirements and the payment of any transfer or other taxes due in respect of such jurisdiction.

## 9. GENERAL

- (a) All communications, notices, Form of Acceptances, share certificates, transfer receipts, other documents of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to be delivered by or sent to or from the Shareholders will be delivered by or sent to or from them, or their designated agents, through post at their own risk, and none of the Offeror, GT Capital, the Registrar or other parties involved in the Offer or any of their respective directors or agent, accepts any liability for any loss in postage or any other liabilities that may arise as a result thereof.
- (b) The provisions set out in the Form of Acceptance form part of the terms of the Offer.
- (c) The accidental omission to despatch this offer document and/or the Form of Acceptance or any of them to any person to whom the Offer is made will not invalidate the Offer in any way.
- (d) The Offer and all acceptances will be governed by and construed in accordance with the laws of Hong Kong.
- (e) Due execution of a Form of Acceptance will constitute an authority to the Offeror, GT Capital or such person or persons as the Offeror may direct, to complete and execute any document on behalf of the person or persons accepting the Offer and to do any other act that may be necessary or expedient for the purposes of vesting in the Offeror, or such person or persons as they may direct, the Shares in respect of which such person or persons has/have accepted the Offer.
- (f) Acceptance of the Offer by any person or persons will be deemed or constitute a warranty by such person or persons to the Offeror that the Offer Shares acquired under the Offer are sold by any such person or persons free from all liens, charges, encumbrances, rights of pre-emption and any third party rights of any nature and together with all rights attaching to them as at the date of

the despatch of the Offeree Document to be issued by the Company, including the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after the date of the despatch of the Offeree Document.

- (g) The Offeror does not intend to exercise any right which may be available to it to acquire compulsorily any Offer Shares not acquired under the Offer after the Offer has closed.
- (h) References to the Offer in this document and in the Form of Acceptance shall include any extension and/or revision thereof.
- (i) The English text of this offer document and of the Form of Acceptance shall prevail over their respective Chinese text for the purpose of interpretation.

## 1. RESPONSIBILITY STATEMENT

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this document and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this document have been arrived at after due and careful consideration and there are no other facts not contained in this document, the omission of which would make any statement in this document misleading.

The information relating to the Group contained in this document has been taken from the Announcement. The relating responsibility accepted by the sole director of the Offeror in respect of information relating to the Group is to ensure it has been correctly and fairly reproduced or presented.

## 2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests of the Offeror, Mr. Suen and parties acting in concert with any of them in the Company were as follows:

Name	Nature of interest	Number of Shares	Approximate percentage of shareholding in the Company
Mr. Suen Cho Hung, Paul	Interest held by controlled corporation	2,703,000,000 (Note)	55.71%
Loyal Giant Holdings Limited	Interest held by controlled corporation	2,703,000,000 (Note)	55.71%
Long Channel Investments Limited	Directly beneficially owned	2,703,000,000 (Note)	55.71%

*Note:* refer to the same parcel of Shares

As at the Latest Practicable Date, save as disclosed above, none of the Offeror, Mr. Suen or any parties acting in concert with any of them owned or controlled any Shares, options, warrants, convertible securities or derivatives in respect of the Shares.

As at the Latest Practicable Date, save for the fact that the Vendors had given the Irrevocable Undertaking to the Offeror, no person who owned or controlled Shares had irrevocably committed to accepting or rejecting the Offer.

Save for their interest in the 750,000,000 Shares under the Share Charge, the Vendors and Mr. Chan are not interested in any Shares, options, warrants, convertible securities or derivatives in respect of the Shares. Save for the disposal of a total of 2,703,000,000 shares by the Vendors (pursuant to the exercise of the power of sale conferred upon the Vendors under the Share Charge) to the Offeror pursuant to the Sale and Purchase Agreement, none of the Vendors, Mr. Chan or any parties acting in concert with any of them or their associates had dealt in the Shares, options, warrants, convertible securities or derivatives in respect of the Shares in the Relevant Period.

As at the Latest Practicable Date, no person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Offeror, Mr. Suen or any parties acting in concert with any of them or their associate(s).

### 3. DEALINGS

Set out below are the dealings in Shares by the Offeror during the Relevant Period:

Date of Transaction	Purchaser	Vendors	Number of shares	Consideration
24 June 2009	Long Channel Investments Limited	Elite Agent and Longtale	2,703,000,000	HK\$9,000,000

Save for the acquisition of a total of 2,703,000,000 Shares by the Offeror as disclosed above (i.e. the Completion), none of the Offeror, Mr. Suen and parties acting in concert with any of them had (i) dealt in any Shares, options, warrants, convertible securities or derivatives in respect of the Shares in the Relevant Period; (ii) entered into any contracts in relation to the outstanding derivatives in respect of securities in the Company; (iii) save for the Irrevocable Undertaking, received an irrevocable commitment to accept or reject the Offer; or (iv) borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

#### 4. MARKET PRICES

The table below shows the closing prices per Share on the Stock Exchange on (i) the Latest Practicable Date; (ii) the Last Trading Day; and (iii) the last trading day of each of the calendar months during the Relevant Period; and (iv) the last trading day of each of the calendar months during the six-month period preceding the Last Trading Day:

Date	Closing price
30 April 2008	HK\$0.34
30 May 2008	HK\$0.29
30 June 2008	HK\$0.19
31 July 2008	HK\$0.17
29 August 2008	HK\$0.12
30 September 2008	HK\$0.10
The Last Trading Day	HK\$0.08
31 October 2008	– (Note)
28 November 2008	– (Note)
31 December 2008	– (Note)
30 January 2009	– (Note)
27 February 2009	– (Note)
31 March 2009	– (Note)
30 April 2009	– (Note)
29 May 2009	– (Note)
30 June 2009	– (Note)
The Latest Practicable Date	– (Note)

*Note:* The trading of Shares on the Stock Exchange has been suspended since 9:30 a.m. on 20 October 2008, thus there is no meaningful closing prices for these dates.

The highest and lowest closing price per Share as quoted on the Stock Exchange during the period commencing on the day falling six months immediately preceding the Last Trading Day and ending on the Latest Practicable Date were HK\$0.38 per Share on 21 April 2008 and HK\$0.08 per Share on 17 October 2008 respectively.

#### 5. CONSENT AND QUALIFICATION

The following is the qualification of the expert who has given opinions or advices which are contained or referred to in this document:

Name	Qualification
Chanceton Capital	A corporation licensed under the SFO to carry out type 6 (advising on corporate finance) regulated activity

Chanceton Capital has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of its letter and references to its name in the form and context in which it appears.

**6. MISCELLANEOUS**

- (a) As at the Latest Practicable Date, no agreements, arrangements or understandings (including any compensation arrangement) existed between the Offeror or any person acting in concert with it and any of the Directors, recent Directors, and holders or recent holders of Shares which had any connection with or dependence upon the Offer.
- (b) The registered office of the Offeror is situated at Palm Grove House, P.O. Box 438, Road Town, Tortola, British Virgin Islands. The correspondence address of the Offeror is situated at Suites 1502-3, 15th Floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong.
- (c) The sole director of the Offeror is Mr. Suen. The correspondence address of Mr. Suen is situated at Suites 1502-3, 15th Floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong.
- (d) The registered office of Chanceton Capital is situated at Suites 06-12, 33/F., Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong.
- (e) The registered office of GT Capital is situated at Suites 1502-3, 15th Floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong.
- (f) No agreement, arrangement or understanding has been entered into by Mr. Suen, the Offeror and the parties acting in concert with any of them for the transfer, charge or pledge by any of them to any other person of any Shares acquired pursuant to the Offer.
- (g) No benefit would be given to any Director as compensation for loss of office or otherwise in connection with the Offer (save as statutory compensation required under the applicable laws).

**7. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection (i) on the website of the SFC ([www.sfc.hk](http://www.sfc.hk)); and (ii) website of the Company ([www.bep.com.hk](http://www.bep.com.hk)) for so long as the Offer remains open for acceptance from the date of this document up to and including the Closing Date:

- (a) memorandum and articles of association of the Offeror;
- (b) the letter from Chanceton Capital, the text of which is set out on page 5 to 15 of this document;
- (c) the written consent of Chanceton Capital;
- (d) the Irrevocable Undertaking; and
- (e) this offer document and the Form of Acceptance.