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**REIGNWOOD INTERNATIONAL
HOLDINGS COMPANY LIMITED**

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



ARES ASIA LIMITED

(Incorporated in Bermuda with limited liability)
(Stock Code: 645)

JOINT ANNOUNCEMENT

**(1) ACQUISITION OF SALE SHARES IN THE SHARE CAPITAL OF
ARES ASIA LIMITED BY REIGNWOOD INTERNATIONAL
HOLDINGS COMPANY LIMITED**

**(2) UNCONDITIONAL MANDATORY CASH OFFERS
BY**

**寶
橋**
BRIDGE PARTNERS

**BRIDGE PARTNERS CAPITAL LIMITED
ON BEHALF OF**

**REIGNWOOD INTERNATIONAL HOLDINGS COMPANY LIMITED
TO ACQUIRE ALL THE ISSUED SHARES IN THE SHARE CAPITAL
OF ARES ASIA LIMITED**

**(OTHER THAN THOSE ALREADY OWNED BY
REIGNWOOD INTERNATIONAL HOLDINGS COMPANY LIMITED
AND PARTIES ACTING IN CONCERT WITH IT)**

**AND TO CANCEL ALL THE OUTSTANDING SHARE OPTIONS
OF ARES ASIA LIMITED**

AND

(3) RESUMPTION OF TRADING IN SHARES OF ARES ASIA LIMITED

Joint Financial Advisers to Reignwood International Holdings Company Limited

**寶
橋**
BRIDGE PARTNERS

BRIDGE PARTNERS CAPITAL LIMITED



THE SALE AND PURCHASE AGREEMENT

The Company was informed by the Vendor that on 29 April 2014, the Vendor and the Offeror entered into the Sale and Purchase Agreement pursuant to which the Vendor agreed to sell and the Offeror agreed to purchase 182,458,061 Shares, representing approximately 53.57% of the issued share capital of the Company as at the date of this joint announcement for a total cash consideration of HK\$127,720,642.70 (being HK\$0.70 per Share). Completion took place immediately upon the signing of the Sale and Purchase Agreement.

UNCONDITIONAL MANDATORY CASH OFFERS

The Offeror and persons acting in concert with it did not hold any Shares, convertible securities, options, warrants or derivatives immediately before the Completion. Immediately following the Completion, the Offeror and persons acting in concert with it were interested in 182,458,061 Shares, representing approximately 53.57% of the issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make an unconditional mandatory cash offer for all the issued Shares (other than those already owned by the Offeror and parties acting in concert with it). In addition, under Rule 13.1 of the Takeovers Code, the Offeror is also required to make a mandatory comparable cash offer for cancellation of all outstanding Share Options.

Bridge Partners will make the Offers for and on behalf of the Offeror in compliance with the Takeovers Code on the following basis:

Share Offer

For each Offer Share HK\$0.70 in cash

Option Offer

For cancellation of each Share Option of outstanding

1,500,000 Share Options with exercise price of HK\$0.63 HK\$0.07 in cash

As at the date of this joint announcement, there are 340,616,934 Shares in issue and 1,500,000 outstanding Share Options.

The principal terms of the Offers are set out under the section headed “Principal terms of the Offers” of this joint announcement.

The Offers will be financed from internal resources of the Offeror.

Bridge Partners and United Simsen have been appointed as the joint financial advisers to the Offeror in respect of the Offers and are satisfied that sufficient financial resources are available to the Offeror for meeting its obligation in case of full acceptance of the Offers.

DESPATCH OF THE COMPOSITE DOCUMENT

It is the intention of the Offeror and the Company to combine the offer document and the offeree board circular in the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document containing, among other things, details of the Offers, accompanied by the form of acceptance and transfer of the Shares in respect of the Share Offer and the forms of acceptance and cancellation of the Share Options in respect of the Option Offer (as the case may be), and incorporating the respective letters of advice from the Independent Board Committee and the independent financial adviser in relation to the Offers, is required to be despatched to the Independent Shareholders and the Optionholder within 21 days of the date of this joint announcement or such later date as the Executive may approve.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee who has no direct or indirect interest in the Offers will be established to advise the Independent Shareholders and the Optionholder in relation to the Offers, in particular as to whether the Offers are, or are not, fair and reasonable and as to their acceptance. An independent financial adviser will be appointed to advise the Independent Board Committee in relation to the Offers. The appointment of the independent financial adviser is subject to the approval of the Independent Board Committee. An announcement regarding the appointment of the independent financial adviser will be made in accordance with the Takeovers Code.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 28 April 2014 pending the issue of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 2 May 2014.

INTRODUCTION

The Company was informed by the Vendor that on 29 April 2014, the Vendor and the Offeror entered into the Sale and Purchase Agreement pursuant to which the Vendor agreed to sell and the Offeror agreed to purchase 182,458,061 Shares, representing approximately 53.57% of the issued share capital of the Company as at the date of this joint announcement for a total cash consideration of HK\$127,720,642.70 (being HK\$0.70 per Share). Completion took place immediately upon the signing of the Sale and Purchase Agreement.

THE SALE AND PURCHASE AGREEMENT

Date

29 April 2014

Parties

Vendor : Star Crown Capital Ltd, which is an investment holding company incorporated in the BVI and was the controlling shareholder holding 182,458,061 Shares, representing approximately 53.57% of the total issued Shares immediately before the Completion, and is a company directly and beneficially wholly-owned by Mr. CHUA.

Purchaser : Reignwood International Holdings Company Limited, the Offeror

The Vendor and its ultimate beneficial owner, Mr. CHUA are third parties independent of, and not connected with, either the Offeror, Mr. Chanchai RUAYRUNGRUANG, the ultimate beneficial owner of the Offeror or its concert parties or its connected persons.

The Sale Shares

The Sale Shares, comprising an aggregate of 182,458,061 Shares, representing approximately 53.57% of the issued share capital of the Company as at the date of this joint announcement.

Consideration

The total consideration at which the Sale Shares were acquired by the Offeror pursuant to the Sale and Purchase Agreement was HK\$127,720,642.70, or HK\$0.70 per Sale Share, which was arrived at after arm's length negotiations between the Offeror and the Vendor with reference to the average closing price of the Shares for the past one year, the most recent published financial information of the Group, the listing status of the Company and the fact that the Offeror can obtain a controlling interest in the Company.

Completion

Completion of the Sale and Purchase Agreement took place immediately upon the signing of the Sale and Purchase Agreement. At Completion, the Purchaser has settled the Consideration in full by cash payment.

UNCONDITIONAL MANDATORY CASH OFFERS

The Offers

As at the date of this joint announcement, there are 340,616,934 Shares in issue and 1,500,000 outstanding Share Options.

Immediately following the Completion and as at the date of this joint announcement, the Offeror and parties acting in concert with it were interested in 182,458,061 Shares, representing approximately 53.57% of the issued share capital of the Company. The Offeror and parties acting in concert with it do not hold any Share Options.

Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make an unconditional mandatory cash offer for all the issued Shares (other than those already owned by the Offeror and parties acting in concert with it). In addition, under Rule 13.1 of the Takeovers Code, the Offeror is also required to make a mandatory comparable cash offer for cancellation of all outstanding Share Options.

Save for the Share Options, the Company has no other outstanding options, warrants or convertible or exchangeable securities carrying rights to subscribe for, convert to or exchange into, the Shares.

Principal terms of the Offers

Bridge Partners will make the Offers for and on behalf of the Offeror in compliance with the Takeovers Code on the following basis:

Share Offer

For each Offer Share HK\$0.70 in cash

The Offer Price is the same as the Consideration of HK\$0.70 per Sale Share under the Sale and Purchase Agreement.

The Offer Shares to be acquired under the Share Offer shall be fully paid and shall be acquired free from all Encumbrances and together with all rights attaching to them, including the right to receive all dividends and distributions declared, made or paid after the date on which the Share Offer is made, being the date of posting of the Offer Document.

Option Offer

For cancellation of each Share Option of outstanding
1,500,000 Share Options with exercise price of HK\$0.63 HK\$0.07 in cash

The offer price in cash of the Option Offer is determined by deducting the exercise price payable on exercise of a Share Option from the Offer Price per Offer Share payable under the Share Offer.

Dealing in securities in the Company

Save for the Acquisition, there have been no dealings in the securities of the Company by the Offeror and parties acting in concert with it during the six-month period prior to and including the date of the first Rule 3.7 announcement of the Company dated 4 March 2014.

Comparison of value

The Offer Price of HK\$0.70 per Offer Share is the same as the Consideration of HK\$0.70 per Sale Share paid by the Offeror to the Vendor under the Sale and Purchase Agreement, and represents:

- (a) a discount of approximately 29.29% over the closing price of HK\$0.99 per Share as quoted on the Stock Exchange on the Last Trading Date, being 25 April 2014;
- (b) a discount of approximately 28.57% over the average closing price of HK\$0.98 per Share as quoted on the Stock Exchange for the last 5 consecutive trading days up to and including the Last Trading Date;
- (c) a discount of approximately 28.50% over the average closing price of HK\$0.979 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Last Trading Date;
- (d) a discount of approximately 28.86% over the average closing price of HK\$0.984 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days up to and including the Last Trading Date;
- (e) a discount of approximately 0.71% over the audited consolidated net asset value of the Company of approximately US\$0.091 (approximately HK\$0.705) per Share as at 31 March 2013, being the date to which the latest audited consolidated annual results of the Group were made up; and
- (f) a premium of approximately 27.27% over the unaudited consolidated net asset value of the Company of approximately US\$0.071 (approximately HK\$0.55) per Share as at 30 September 2013, being the date to which the latest unaudited consolidated interim results of the Group were made up.

Highest and lowest prices

During the six-month period immediately preceding the Last Trading Date, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$1.11 on 20 March 2014, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.64 on 25 October 2013.

Total value of the Offers

On the basis of the Offer Price, the entire issued share capital of the Company as at the date of this joint announcement is valued at HK\$238,431,853.80 and 158,158,873 Shares will be subject to the Share Offer and are valued at HK\$110,711,211.10 on the basis of the Offer Price. Assuming none of the outstanding Share Options are exercised prior to closing of the Offers, the total amount required

to satisfy the cancellation of all the outstanding Share Options is HK\$105,000.00. Based on the above and assuming no outstanding Share Options are exercised prior to the closing of the Offers, the Offers are valued at approximately HK\$110,816,211.10.

In the event that all 1,500,000 outstanding Share Options are fully exercised prior to closing of the Offers, the Company will have to issue 1,500,000 new Shares. The total number of Shares subject to the Share Offer will become 159,658,873 Shares and the maximum value of the Share Offer is valued at approximately HK\$111,761,211.10. In that case, no amount will be payable by the Offeror under the Option Offer.

Confirmation of financial resources

The Offers will be financed from internal resources of the Offeror.

Bridge Partners and United Simsen have been appointed as the joint financial advisers to the Offeror in respect of the Offers and are satisfied that sufficient financial resources are available to the Offeror for meeting its obligation in case of full acceptance of the Offers.

Payment

Payment in cash in respect of acceptance of the Offers will be made as soon as possible and in any event within 7 Business Days of the date on which the Shares are validly tendered for acceptance of the Share Offer and the relevant documents of title are received by or on behalf of the Offeror to render each such acceptance of both the Share Offer and Option Offer complete and valid.

No fractions of a cent will be payable and the amount of the consideration payable to a Shareholder or the Optionholder who accepts the Offers will be rounded up to the nearest cent.

Stamp duty

Sellers' *ad valorem* stamp duty for Shares registered on the register of members of the Company in Hong Kong arising in connection with acceptance of the Share Offer will be payable by each Shareholder at the rate of 0.1% of the higher of (i) the market value of the Shares; and (ii) the amount of the consideration payable by the Offeror for such person's Shares, and will be deducted from the cash amount payable by the Offeror to such person under the Share Offer. The Offeror will pay the buyer's *ad valorem* stamp duty on its own behalf and the Sellers' *ad valorem* stamp duty on behalf of the accepting Shareholders in respect of the Shares accepted under the Share Offer in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

No stamp duty is payable in connection with the acceptance of the Option Offer.

Overseas Shareholders

The availability of the Share Offer to any persons not resident in Hong Kong may be affected by the applicable laws of the relevant jurisdictions. Any persons who are not resident in Hong Kong should where appropriate, consult their own professional advisers about and observe any applicable legal or regulatory requirements in their own jurisdiction. It is the responsibility of the Shareholders who have registered addresses outside Hong Kong and wish to accept the Share Offer to satisfy themselves as to the full observance of the applicable laws and regulations of the relevant jurisdiction in connection therewith (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer of other taxes due by such accepting Shareholders in respect of such jurisdiction).

Taxation advice

Shareholders and the Optionholder are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offers. None of the Offeror, the Company and their respective directors, officers or associates or any other person involved in the Offers accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

Other arrangements

The Offeror confirms that, as at the date of this joint announcement:

- (i) save for the Sale Shares, none of the Offeror nor any person acting in concert with it owned or had control or direction over any voting rights or rights over the Shares or convertible securities, warrants, options of the Company or any derivatives in respect of such securities;
- (ii) there is no arrangement (whether by way of option, agreement, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares and which might be material to the Offers;
- (iii) save for the Sale and Purchase Agreement, there is no agreement or arrangement to which the Offeror is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offers;
- (iv) neither the Offeror nor any person acting in concert with it has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code);
- (v) neither the Offeror nor any person acting in concert with it has received any irrevocable commitment to accept the Offers; and
- (vi) there is no outstanding derivative in respect of the securities in the Company entered into by the Offeror nor any person acting in concert with it.

INFORMATION ON THE GROUP

The principal activity of the Company is investment holding. The Group is principally engaged in the business of coal trading, entailing the selling of thermal coal purchased from Australia and Indonesia to the People's Republic of China. The Group commenced coal trading in October 2012. Prior to this, the Group's major business was the manufacture of footwear but, as disclosed in the Group's annual report for the year ended 31 March 2013, due to a decrease in sales and rising production costs, the Group ceased its footwear manufacturing business in January 2013.

Issued Shares and Share Options of the Company

Set out below is the shareholding structure of the Company (i) immediately before and (ii) immediately following the Completion and as at the date of this joint announcement:

| | Immediately before the Completion | | Immediately following Completion and as at the date of this joint announcement | |
|--|--------------------------------------|-----------------------------------|---|-----------------------------------|
| | <i>Number of Shares</i> | <i>Approx. % shareholding</i> | <i>Number of Shares</i> | <i>Approx. % shareholding</i> |
| Star Crown | 182,458,061 | 53.57% | — | — |
| The Offeror and parties acting in concert with it | — | — | 182,458,061 | 53.57% |
| Public | <u>158,158,873</u> | <u>46.43%</u> | <u>158,158,873</u> | <u>46.43%</u> |
| Total | <u>340,616,934</u> | <u>100%</u> | <u>340,616,934</u> | <u>100%</u> |

Set out below are details of the Share Options as at the date of this joint announcement:

| Number of Share Options | Date of grant | Exercise period | Exercise price per Share Option |
|-------------------------|-----------------|--|---------------------------------|
| 1,500,000 | 25 October 2012 | From 25 October 2012 to 23 October 2015 | HK\$0.63 |

The aforesaid Shares Options are beneficially owned by Mr. Junaidi YAP, an executive Director and are vested at the date of grant.

Financial Information of the Group

Set out below is a summary of the audited financial information of the Group for the years ended 31 March 2012 and 31 March 2013. This information has been extracted from the annual report of the Company for the year ended 31 March 2013. In the table below, the “discontinued operation” refers to the Group’s footwear manufacturing business, whilst the “continuing operation” refers to the coal trading business.

| | | For the year ended 31 March | |
|--------------------------------|-------------------|--------------------------------|------------------------------|
| | | 2013 | 2012 |
| | | US\$'000 | US\$'000 |
| Continuing Operation | Turnover | 44,639 | N/A |
| | Loss for the Year | <u>(547)</u> | <u>(1,485)</u> |
| Discontinued Operation | Turnover | 13,112 | 27,967 |
| | Loss for the Year | <u>(3,709)</u> | <u>(58)</u> |
| Total Loss for the Year | | <u><u>(4,256)</u></u> | <u><u>(1,543)</u></u> |

Based on the interim report of the Company for the six-month ended 30 September 2013, the unaudited consolidated net assets value of the Group as at 30 September 2013 was approximately US\$24.21 million (equivalent to HK\$187.63 million).

INFORMATION ON THE OFFEROR

The Offeror is an investment holding company incorporated in the BVI with limited liability. The sole legal and beneficial owner and the sole director of the Offeror is Mr. Chanchai RUAYRUNGRUANG, a Thai-Chinese businessman, who is the founder, chairman and the beneficial owner of the privately-held Reignwood Group.

The Offeror is part of the Reignwood Group. Reignwood Group is a multinational conglomerate with significant presence in the People’s Republic of China and its major business investments and operations include, Red Bull Energy Drink, Beijing Pine Valley Golf Club & Resort and Beijing Reignwood Centre, etc.

INTENTION OF THE OFFEROR REGARDING THE COMPANY

The Offeror intends to continue the Group’s principal business of coal trading after completion of the Offers. The Offeror also intends to conduct a detailed review of the strategic directions and operations of the Group to chart its long term corporate strategy and growth and to explore other business or investment opportunities which might enhance the Group’s future development. The

Offeror has no intention to inject any material asset or business into the Group as at the date of this joint announcement. The Offeror has no intention to redeploy the employees or the fixed assets of the Group other than in its ordinary course of business.

As at the date of this joint announcement, the Board comprises two executive Directors (Mr. CHUA and Mr. Junaidi YAP) and three independent non-executive Directors. Mr. CHUA will resign as Chairman of the Company and the executive Director and such resignation will take effect at a date in compliance with the Takeovers Code. In addition, the Offeror intends to nominate new Directors to the Board with effect from the earliest time permitted under the Takeovers Code, but as at the date of this joint announcement, the Offeror has not reached any decision as to who will be nominated as the new Directors. A further announcement will be made upon any changes of directorship of the Company.

MAINTAINING THE LISTING STATUS OF THE COMPANY

The Stock Exchange has stated that if, upon close of the Offers, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public, or if the Stock Exchange believes that:

- (i) a false market exists or may exist in the trading of the Shares; or**
 - (ii) there are insufficient Shares in the hands of the public to maintain an orderly market,**
- then it will consider exercising its discretion to suspend trading in the Shares.**

The Offeror intends to maintain the listing of the Shares on the Stock Exchange after the close of the Offers. Each of the Offeror and the Company will undertake to the Stock Exchange to take appropriate steps following the close of the Offers to ensure that sufficient public float exists.

DISCLOSURE OF DEALINGS

In accordance with Rule 3.8 of the Takeovers Code, associates (as defined in the Takeovers Code) of the Company and the Offeror (including persons who own or control 5% or more of any class of relevant securities issued by the Company or the Offeror) are hereby reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code. Reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

“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 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. 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 \$1 million.

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.”

DESPATCH OF THE COMPOSITE DOCUMENT

It is the intention of the Offeror and the Company to combine the offer document and the offeree board circular in the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document containing, among other things, details of the Offers, accompanied by the form of acceptance and transfer of the Shares in respect of the Share Offer and the forms of acceptance and cancellation of the Share Options in respect of the Option Offer (as the case may be), and incorporating the respective letters of advice from the Independent Board Committee and the independent financial adviser in relation to the Offers, is required to be despatched to the Independent Shareholders and the Optionholder within 21 days of the date of this joint announcement or such later date as the Executive may approve.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee who has no direct or indirect interest in the Offers will be established to advise the Independent Shareholders and the Optionholder in relation to the Offers, in particular as to whether the Offers are, or are not, fair and reasonable and as to their acceptance. An independent financial adviser will be appointed to advise the Independent Board Committee in relation to the Offers. The appointment of the independent financial adviser is subject to the approval of the Independent Board Committee. An announcement regarding the appointment of the independent financial adviser will be made in accordance with the Takeovers Code.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 28 April 2014 pending the issue of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 2 May 2014.

Warning: Shareholders and investors are advised to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

In this joint announcement, the following terms shall have the meanings set out below, unless the context requires the otherwise:

| | |
|----------------------|--|
| “Acquisition” | the acquisition of the Sale Shares by the Purchaser from the Vendor on the terms of the Sale and Purchase Agreement |
| “acting in concert” | has the meaning ascribed to it under the Takeovers Code |
| “Board” | board of Directors |
| “Bridge Partners” | Bridge Partners Capital Limited, a licensed corporation to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, one of the joint financial advisers and the agent to the Offeror |
| “Business Days” | a day (other than Saturday, Sunday or days on which a typhoon signal 8 or above or black rainstorm is hoisted in Hong Kong at any time between 9:00 a.m. to 5:00 p.m.) on which banks in Hong Kong are open for business |
| “BVI” | British Virgin Islands |
| “Company” | Ares Asia Limited, a company incorporated under the laws of Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange |
| “Completion” | completion of the Sale and Purchase Agreement |
| “Completion Date” | the date when the Completion took place, being 29 April 2014, being the date of the Sale and Purchase Agreement |
| “Composite Document” | the document proposed to be jointly issued by or on behalf of the Offeror and the Company to all Shareholders and the Optionholder in accordance with the Takeovers Code in respect of the Offers containing, among other things, the terms and conditions of the Offers, the form of acceptance and transfer of the Shares in respect of the Share Offer, the form and acceptance and cancellation of the Share Options in respect of the Option Offer, the letter of advice of the independent financial adviser to the Independent Board Committee in respect of the Offers, and the letter of advice of the Independent Board Committee to the Independent Shareholders and the Optionholder in relation to the Offers |

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| “Consideration” | the consideration paid by the Offeror to the Vendor for the acquisition of the Sale Shares on the terms and conditions of the Sale and Purchase Agreement, being HK\$127,720,642.70 or HK\$0.70 per Sale Share |
| “Director(s)” | director(s) of the Company |
| “Encumbrances” | any mortgage, charge, pledge, lien, hypothecation, encumbrance or other security arrangement of any kind or any option, equity, claim, adverse interest or other third party right of any kind; or any arrangement by which any right is subordinated to any right of such third party; or any contractual right of set-off, including any agreement or commitment to create or procure to create, or to permit or suffer to be created or subsisted any of the above; |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | Hong Kong Special Administrative Region of the People’s Republic of China |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Independent Board Committee” | an independent committee of the Board comprising all the independent non-executive Directors to be established for the purpose of advising the Independent Shareholders and the Optionholder in relation to the Offers |
| “Independent Shareholders” | Shareholders other than the Offeror and parties acting in concert with it |
| “Last Trading Date” | 25 April 2014, being the last day on which the Shares were traded on the Stock Exchange prior to the suspension of trading in the Shares pending the release of this joint announcement |
| “Mr. CHUA” | Mr. CHUA Chun Kay, the Chairman of the Company and an executive Director, who is the sole and beneficial owner of the Vendor |
| “Offers” | Share Offer and Option Offer |
| “Offer Price” | HK\$0.70 per Offer Share payable in cash by the Offeror under the Share Offer |
| “Offer Shares” | the existing issued Shares but excluding the Sale Shares and any other Shares owned by the Purchaser and parties acting in concert with it |

| | |
|-------------------------------|---|
| “Offeror” or “Purchaser” | Reignwood International Holdings Company Limited, a company incorporated in BVI with limited liability |
| “Option Offer” | the mandatory comparable cash offer to be made by Bridge Partners on behalf of the Offeror for cancellation of all outstanding Share Options pursuant to Rule 13.1 of the Takeovers Code |
| “Optionholder” | Mr. Junaidi YAP, the holder of the Share Options |
| “Sale and Purchase Agreement” | the sale and purchase agreement dated 29 April 2014 and entered into between the Vendor and the Purchaser pursuant to which, among other things, the Vendor agreed to sell, and the Purchaser agreed to purchase, the Sale Shares on the terms and conditions thereof |
| “Sale Shares” | an aggregate of 182,458,061 Shares, representing approximately 53.57% of the issued share capital of the Company as at the date of the Sale and Purchase Agreement, sold by the Vendor to the Purchaser subject to and pursuant to the Sale and Purchase Agreement |
| “SFC” | the Securities and Futures Commission of 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 the capital of the Company |
| “Shareholders” | holder(s) of the Share(s) |
| “Share Offer” | the unconditional mandatory cash offer to be made by Bridge Partners on behalf of the Offeror to acquire all the issued Shares (other than those already owned by the Offeror and persons acting in concert with it) pursuant to Rule 26.1 of the Takeovers Code |
| “Share Options” | the 1,500,000 outstanding share options granted by the Company to the Optionholder pursuant to the Company’s share option scheme |
| “Star Crown” or “Vendor” | Star Crown Capital Ltd, a company incorporated in BVI with limited liability and is a company directly and beneficially wholly-owned by Mr. CHUA |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | The Hong Kong Code on Takeovers and Mergers |

| | |
|-----------------|---|
| “United Simsen” | United Simsen Securities Limited, a licensed corporation to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, and one of the joint financial advisers |
| “US\$” | United States dollars, the lawful currency of the United States of America |
| “%” | per cent. |

By Order of the Board of
**REIGNWOOD INTERNATIONAL HOLDINGS
COMPANY LIMITED**
Chanchai RUAYRUNGRUANG
Director

By Order of the Board of
ARES ASIA LIMITED
Junaidi YAP
Executive Director

(The exchange rate used for the purpose of this announcement is at US\$1 = HK\$7.75)

Hong Kong, 30 April 2014

As at the date of this joint announcement, the executive Directors are Mr. CHUA Chun Kay (Chairman) and Mr. Junaidi YAP (Chief Executive Officer), and the independent non-executive Directors are Mr. LAM Pun Yuen, Frank, Mr. NGAN Hing Hon and Mr. YEUNG Kin Bond, Sydney.

As at the date of this joint announcement, the sole director of the Offeror is Mr. Chanchai RUAYRUNGRUANG.

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

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Offeror) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those relating to the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in the joint announcement the omission of which would make any statements in this joint announcement misleading.