

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities or any Shares under the Share Offer. Potential investors should read the prospectus dated 30 December 2011 (the “Prospectus”) issued by Kai Shi China Holdings Company Limited (the “Company”) for detailed information about the Share Offer described below before deciding whether or not to invest in the Offer Shares thereby offered in the Share Offer. Any investment decision in relation to the Offer Shares should be taken solely in reliance on the information provided in the Prospectus.

Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the Prospectus.

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KAI SHI CHINA HOLDINGS COMPANY LIMITED

開世中國控股有限公司

(incorporated in the Cayman Islands with limited liability)

PLACING AND PUBLIC OFFER

- Number of Offer Shares :** 150,000,000 Shares (subject to the Over-allotment Option)
- Number of Public Offer Shares :** 15,000,000 Shares (subject to re-allocation)
- Number of Placing Shares :** 135,000,000 Shares (subject to re-allocation and the Over-allotment Option)
- Offer Price:** Not more than HK\$1.20 per Offer Share (plus brokerage fee of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%, payable in full upon application and subject to refund)
- Nominal value :** HK\$0.01 each
- Stock code :** 1281

Sole Bookrunner, Lead Manager and Sponsor



招商證券(香港)有限公司
CHINA MERCHANTS SECURITIES (HK) CO., LTD.

Application has been made by the Company to the Listing Committee of the Stock Exchange for the granting of the approval for the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to (i) the Share Offer and the Capitalisation Issue (including the additional Shares which may be issued upon the exercise of the Over-allotment Option); and (ii) the exercise of the options which have been granted under the Pre-IPO Share Option Scheme or options which may be granted under the Share Option Scheme. In the event the Over-allotment Option is exercised, an announcement will be made by the Company.

The Share Offer comprises the Placing and the Public Offer. A total of initially 150,000,000 Offer Shares will be made available under the Share Offer, of which 135,000,000 Placing Shares (subject to re-allocation and the Over-allotment Option), representing 90% of the Offer Shares, will initially be conditionally placed with professional, institutional and other investors under the Placing. The remaining 15,000,000 Public Offer Shares (subject to re-allocation), representing 10% of the Offer Shares, will initially be offered to the public in Hong Kong under the Public Offer.

In connection with the Share Offer, the Company is expected to grant to the Lead Manager the Over-allotment Option which will expire on a date which is 30 days from the date of the last day of lodging application under the Public Offer. Pursuant to the Over-allotment Option, the Company may be required by the Lead Manager to allot and issue up to and not more than 22,500,000 additional Shares (representing 15% of the total number of the Offer Shares initially available under the Share Offer) at the Offer Price to cover over-allocations in the Placing.

Applications for the Public Offer Shares will only be considered on the basis of the terms and conditions of the Prospectus and the related Application Forms.

Applicants who would like to be allotted the Public Offer Shares in their own names should complete and sign the **WHITE** Application Forms or by submitting application to the HK eIPO White Form Service Provider under the **HK eIPO White Form** service (www.hkeipo.hk). Applicants who would like to have the allotted Public Offer Shares issued in the name of HKSCC Nominees and deposited directly into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants should (i) complete and sign the **YELLOW** Application Form or (ii) give **electronic application instructions** to HKSCC via CCASS.

Copies of the Prospectus, together with the **WHITE** Application Forms, may be obtained during normal business hours from 9:00 a.m. on Friday, 30 December 2011, until 12:00 noon on Friday, 6 January 2012 at:

any of the following addresses of the **Public Offer Underwriters**:

China Merchants Securities (HK) Co., Limited at 48/F, One Exchange Square, Central, Hong Kong

VC Brokerage Limited at 28/F The Centrium, 60 Wyndham Street, Central, Hong Kong

Quam Securities Company Limited at Room 3208 Gloucester Tower, The Landmark, 11 Pedder Street, Central, Hong Kong

KGI Capital Asia Limited at 41/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong

Grand Vinco Capital Limited at Units 4909-4910, 49/F, The Center, 99 Queen's Road Central, Hong Kong

or any of the following branches of the Standard Chartered Bank (Hong Kong) Limited:

District	Branch name	Address
Hong Kong Island	Des Voeux Road Branch	Standard Chartered Bank Building, 4-4A, Des Voeux Road Central, Central
	88 Des Voeux Road Branch	88 Des Voeux Road Central, Central
	North Point Centre Branch	North Point Centre, 284 King's Road, North Point
	Shuk Tak Centre	Shop 294-295, 2/F, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong
Kowloon	Kwun Tong Hoi Yuen Road	G/F, Fook Cheong Building, No. 63 Hoi Yuen Road, Kwun Tong, Kowloon
	Tsimshatsui Branch	G/F, 10 Granville Road, Tsimshatsui
	Telford Gardens Branch	Shop P9-12, Telford Centre, Telford Gardens, Tai Yip Street, Kwun Tong
	Hung Hom Comm Centre Branch	Shop 33-37 G/F, Hunghom Commercial Centre, 37-39 Ma Tau Wei Road, Hung Hom

New Territories	Tuen Mun Town Plaza Branch	Shop No. G047-G052, Tuen Mun Town Plaza Phase I, Tuen Mun
	Maritime Square Branch	Shop 308E, Level 3, Maritime Square, Tsing Yi
	Tseung Kwan O Branch	Shop G37-40, G/F, Hau Tak Shopping Centre East Wing, Hau Tak Estate, Tseung Kwan O
	Kwai Chung Branch	Unit A, G/F, Effort Industrial Building, 2-8 Kung Yip Street, Kwai Chung, New Territories

Copies of the Prospectus, together with the **YELLOW** Application Forms, may be obtained during normal business hours from 9:00 a.m. on Friday, 30 December 2011 till 12:00 noon on Friday, 6 January 2012 (i) at the Depository Counter of HKSCC at 2nd Floor, Infinitus Plaza, 199 Des Voeux Road Central, Hong Kong; and (ii) your stockbroker may also have Application Forms and the Prospectus available.

Applicants may submit application to the HK eIPO White Form Service Provider under the **HK eIPO White Form** service through the designated website at www.hkeipo.hk from 9:00 a.m. on Friday, 30 December 2011 until 11:30 a.m. on Friday, 6 January 2012 or such later time as described under the section headed “How to apply for Public Offer Shares — When may applications be made — Effect of bad weather conditions on the opening of the application lists” in the Prospectus (24 hours daily, except on the last day for lodging applications under the Public Offer). Please refer to the “Structure and conditions of the Share Offer” and “How to apply for Public Offer Shares” sections of the Prospectus for details of the conditions and procedures of the Public Offer.

CCASS Participants can input **electronic application instructions** from 9:00 a.m. on Friday, 30 December 2011 until 12:00 noon on Friday, 6 January 2012.

The Company expects to announce the final Offer Price, the level of indications of interest in the Placing, the level of applications and the basis of allotment of the Public Offer Shares on Wednesday, 11 January 2012 in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) and on the website of the Stock Exchange at www.hkexnews.hk and the Company’s website at www.kaishichina.com.

Results of allocations in the Public Offer (with successful applicants' identification document numbers, where applicable) will be available at www.tricor.com.hk/ipo/result and through a variety of channels from Wednesday, 11 January 2012.

No temporary document of title or any receipt for application money received will be issued by the Company in respect of the Public Offer Shares. Dealings in the Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Thursday, 12 January 2012. The Shares will be traded in board lots of 4,000 Shares. The stock code of the Company is 1281.

By order of the Board
Kai Shi China Holdings Company Limited
Kai Chenglian
Chairman

Hong Kong, 30 December 2011

As at the date of this announcement, the executive Directors are Mr. Kai Chenglian, Mr. Kai Xiaojiang, Ms. Jiang Shuxia and Ms. Han Liping and the independent non-executive Directors are Ms. Yang Jing, Mr. Li Fook Wing and Ms. Sun Huijun.

Please also refer to the published version of this announcement in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese).