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Form A
表格甲

Provisional Allotment Letter No.
暫定配額通知書號碼

IMPORTANT
重要提示

REFERENCE IS MADE TO THE PROSPECTUS (THE "PROSPECTUS") ISSUED BY NATIONAL ARTS HOLDINGS LIMITED (THE "COMPANY") DATED 5 DECEMBER 2012 IN RELATION TO THE RIGHTS ISSUE. TERMS DEFINED IN THE PROSPECTUS SHALL BEAR THE SAME MEANINGS WHEN USED HEREIN UNLESS THE CONTEXT OTHERWISE REQUIRES.

茲提述該招股說明書(「本公司」)於二零一二年十二月五日就供股發行之招股章程(「招股章程」)。除文義另有指外,招股章程所界定之詞語在本通知書內具相同涵義。

IF YOU ARE IN ANY DOUBT ABOUT THIS DOCUMENT, OR AS TO THE ACTION TO BE TAKEN, OR IF YOU HAVE SOLD ALL OR PART OF YOUR SHARES, YOU SHOULD CONSULT YOUR LICENSED SECURITIES DEALER, BANK MANAGER, SOLICITOR, PROFESSIONAL ACCOUNTANT OR OTHER PROFESSIONAL ADVISER.

閣下對本文件或應採取之行動如有任何疑問,或如已出售閣下名下全部或部分股份,應諮詢閣下之持牌證券交易商、銀行經理、律師、專業會計師或其他專業顧問。

This document is valuable and transferable and requires your immediate attention. The offer contained in this document and the accompanying form of application for excess Rights Shares expires at 4:00 p.m. on Wednesday, 19 December 2012.

本文件具有價值及可轉讓,務請閣下立即處理。本文件及隨附之額外供股股份申請表格所載之供股建議之有效期於二零一二年十二月十九日(星期三)下午四時正屆滿。

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

股份之交易可透過香港結算管理之中央結算系統結算。有關該等結算之安排及該等安排對閣下權利及權益可能造成之影響,應諮詢閣下之持牌證券交易商、銀行經理、律師、專業會計師或其他專業顧問。

A copy of each of the Prospectus Documents having attached thereto the documents specified in the paragraph headed "Documents registered with the Registrar of Companies in Hong Kong" in Appendix III to the Prospectus, filed as with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies Ordinance of Hong Kong. A copy of each of the Prospectus Documents has been, or will be, filed as soon as reasonably practicable with the Registrar of Companies in Bermuda in accordance with the requirements of the Companies Act 1981 of Bermuda. The Registrar of Companies in Hong Kong, the Securities and Futures Commission of Hong Kong, the Registrar of Companies in Bermuda and the Bermuda Monetary Authority take no responsibility as to the contents of any of the Prospectus Documents.

各份章程文件連同章程附錄三「於香港公司註冊處登記之文件」一段所指之文件,已依據香港公司條例第342C條之規定送呈香港公司註冊處登記。各份章程文件連同百慕達一九八一年公司法已或將合理可行地盡快送呈百慕達公司註冊處存檔。香港公司註冊處、香港證券及期貨事務監察委員會、百慕達公司註冊處及百慕達金融管理局對任何供股文件之內容概不負責。

The Prospectus has been prepared for the purposes of compliance with the legislative requirements applicable in respect of the Rights Issue in Hong Kong and the GEM Listing Rules.

招股章程乃為符合於香港進行供股之適用法例規定及創業板上市規則之規定而編製。

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

香港交易及結算有限公司、聯交所及香港結算對本文件之內容概不負責,對其準確性或完整性亦不發表任何聲明,並明確表示,概不對因本文件全部或部分內容而產生或因倚賴該等內容而引致之任何損失承擔任何責任。

Subject to the granting of listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange and compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms, both will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Rights Shares in their nil-paid and fully-paid forms, on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

待未繳股款及繳足股款供股股份獲准於聯交所上市及買賣以及符合香港結算之股份收納規定後,未繳股款及繳足股款供股股份將獲香港結算接納為合資格證券,可自未繳股款及繳足股款供股股份各自開始於聯交所買賣當日或香港結算決定之其他日期起,在中央結算系統寄存、結算及交收。聯交所參與者關於任何交易日之交易須於其後第二個交易日在中央結算系統進行交收。中央結算系統進行之一切活動均須依照不時有效之中央結算系統一般規則及中央結算系統運作程序規則進行。

Branch Registrar in Hong Kong:
Tricor Secretaries Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

香港股份過戶登記處:
卓佳秘書商務有限公司
香港灣仔
皇后大道東28號
金鐘匯中心26樓



National Arts

NATIONAL ARTS HOLDINGS LIMITED
國藝控股有限公司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(於開曼群島註冊成立並於百慕達存續之有限公司)

(Stock Code: 8228)
(股份代號: 8228)

RIGHTS ISSUE OF 3,245,016,556 RIGHTS SHARES
AT HK\$0.10 EACH ON THE BASIS OF FOUR RIGHTS SHARES
FOR EVERY ONE EXISTING SHARE HELD ON THE RECORD DATE
PAYABLE IN FULL ON ACCEPTANCE
BY NO LATER THAN 4:00 P.M. ON WEDNESDAY, 19 DECEMBER 2012

供股

按於記錄日期每持有
一股現有股份獲發四股供股股份之基準按每股0.10港元之價格
發行3,245,016,556股供股股份

股款須於接納時(不遲於二零一二年十二月十九日(星期三)下午四時正)全數繳足

PROVISIONAL ALLOTMENT LETTER ("PAL")
暫定配額通知書

Registered Office of the Company:
本公司註冊辦事處:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal place of business
in Hong Kong:
Unit B, 2/F
Jone Mutt Factory Building
169 Wai Yip Street
Kwun Tong
Kowloon
Hong Kong

香港主要營業地點:
九龍
觀塘
偉業街169號
中懋工業大廈
2樓B室

5 December 2012
二零一二年十二月五日

Name(s) and address of Qualifying Shareholder(s)
合資格股東姓名及地址

[Blank area for shareholder name and address]

Total Number of Shares registered in your name on Tuesday, 4 December 2012
於二零一二年十二月四日(星期二)登記於閣下名下之股份總數

Box A
A欄

Number of Shares provisionally allotted to you, subject to payment in full on acceptance by no later than 4:00 p.m. on Wednesday, 19 December 2012
暫定配發予閣下之股份份數,股款最遲須於二零一二年十二月十九日(星期三)下午四時正接納時繳足

Box B
B欄

Total subscription monies payable*
應繳認購股款總額*

Box C
C欄

* Any payments for Rights Shares should be rounded down to 2 decimal points.
* 供股股份之任何付款款額應調低至兩個小數點。

Contact telephone no.:
聯絡電話號碼:

TO ACCEPT THIS PROVISIONAL ALLOTMENT OF RIGHTS SHARES IN FULL, YOU MUST LODGE THIS ORIGINAL DOCUMENT WITH THE BRANCH REGISTRAR, TRICOR SECRETARIES LIMITED AT 26TH FLOOR, TESBURY CENTRE, 28 QUEEN'S ROAD EAST, WANCHAI, HONG KONG, TOGETHER WITH A REMITTANCE BY CHEQUE OR CASHIER'S ORDER IN HONG KONG DOLLARS FOR THE FULL AMOUNT SHOWN IN BOX C ABOVE BY NO LATER THAN 4:00 P.M. ON WEDNESDAY, 19 DECEMBER 2012. CHEQUES MUST BE DRAWN ON AN ACCOUNT WITH, OR CASHIER'S ORDERS MUST BE ISSUED BY, A LICENSED BANK IN HONG KONG AND MADE PAYABLE TO "NATIONAL ARTS HOLDINGS LIMITED - RIGHTS ISSUE ACCOUNT" AND MUST BE CROSSED "ACCOUNT PAYEE ONLY". INSTRUCTIONS ON TRANSFER AND SPLITTING ARE SET OUT OVERLEAF. NO RECEIPT WILL BE GIVEN FOR SUCH REMITTANCE.

閣下如欲接納全部供股股份暫定配額,須將本文件正本連同以港元繳付上列丙欄所示數額之全部款項(以支票或銀行本票形式),最遲於二零一二年十二月十九日(星期三)下午四時正前送交股份過戶登記處卓佳秘書商務有限公司,地址為香港灣仔皇后大道東28號金鐘匯中心26樓。支票須由香港持牌銀行戶口開出,或銀行本票則須由香港持牌銀行發出,並註明抬頭人為「NATIONAL ARTS HOLDINGS LIMITED - RIGHTS ISSUE ACCOUNT」,並以「只准入抬頭人賬戶」方式劃線開出。有關轉讓及分拆之指示載於背頁。本公司將不會就該等股款發出收據。

It should be noted that the Underwriting Agreement in respect of the Rights Issue contains provisions entitling the Underwriter to terminate the Underwriting Agreement by notice in writing to the Company at any time prior to the Latest Time For Termination (which is expected to be 4:00 p.m. on Thursday, 20 December 2012). Prior to the Latest Time For Termination: (A) the Underwriter shall become aware of the fact that, or shall have reasonable cause to believe that any of the warranties in the Underwriting Agreement was untrue, inaccurate, misleading or breached, and in each case the same is (in the absolute opinion of the Underwriter) material in the context of the Rights Issue; or (B) there shall be: (i) any new law or regulation is enacted, or there is any change in the existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority, whether in Hong Kong or elsewhere; (ii) any change in local, national or international financial, political, industrial or economic conditions; (iii) any change of an exceptional nature in local, national or international equity securities or currency markets; (iv) any local, national or international outbreak or escalation of hostilities, insurrection or armed conflict; (v) any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange; (vi) any suspension in the trading of the Shares on the Stock Exchange for a continuous period of 7 trading days (as defined in the GEM Listing Rules); (vii) any change or development involving a prospective change in taxation or exchange controls in Hong Kong or elsewhere which is or are, in the absolute opinion of the Underwriter: (a) likely to have a material adverse effect on the business, financial position or prospects of the Group taken as a whole; or (b) likely to have a material adverse effect on the success of the Rights Issue or the level of Rights Shares to be taken up; or (c) so material as to make it inappropriate, inadvisable or inexpedient to proceed further with the Rights Issue, then the Underwriter may, by notice in writing given to the Company on or before the Latest Time For Termination, rescind the Underwriting Agreement and thereupon all obligations of the Underwriter hereunder shall cease and determine and no party shall have any claim against any other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement (save for any antecedent breaches hereof) and the Rights Issue shall not proceed.

務請注意,有關供股之包銷協議載有條文,倘於最後截止時間前發生以下事件,則包銷商有權於最後截止時間(預期為二零一二年十二月二十日(星期四)下午四時正)前任何時間以書面方式通知本公司以終止包銷協議:(A)包銷商知悉或有合理理由相信包銷協議所載之任何保證為失實、不確、誤導或已遭違反;而(B)包銷商絕對認為:客情況對供股而屬重大;或(i)發生下列事件:(i)香港或其他地區之任何法院或其他具管轄權機構頒布任何新法例或法規,或更改現有法例或法規,或更改其詮釋或適用範圍;(ii)地區、國家或國際金融、政治、工業或經濟狀況出現任何變動;(iii)地區、國家或國際間發生任何戰爭或動亂;(iv)地區、國家或國際間頒布任何新法律或法規,或更改現有法例或法規,或更改其詮釋或適用範圍;(v)任何在絕對意見下,或對供股而屬重大不利影響;或(iii)地區、國家或國際金融、政治、工業或經濟狀況出現任何變動;(iv)地區、國家或國際間發生任何戰爭或動亂;(v)地區、國家或國際間頒布任何新法律或法規,或更改現有法例或法規,或更改其詮釋或適用範圍;(vi)任何在絕對意見下,或對供股而屬重大不利影響;或(ii)可能對本集團之整體業務、財務狀況或前景造成重大不利影響;或(iii)可能對供股成功與否造成重大不利影響;或(iii)影響重大以致令繼續進行供股屬不恰當、不智或不穩,則包銷商可藉於最後截止時間之前向本公司發出書面通知而終止包銷協議。其後,包銷商於包銷協議項下之所有責任將終止及終結,包銷協議之訂約各方概不得向任何其他訂約方因包銷協議而產生或與之有關的任何事宜或事件(包銷協議事先違反之任何情況除外)提出任何申索,而供股將不會進行。

It should be noted that the Shares have been dealt with on an ex-rights basis as from Wednesday, 28 November 2012 and that dealings in such Shares and in the Rights Shares in their nil-paid form will take place whilst the conditions to which the Rights Issue is subject remain unfulfilled. Any shareholder or other person dealing in the Shares up to the date on which all conditions to which the Rights Issue is subject are fulfilled or waived (as the case may be) (which is expected to be on Thursday, 20 December 2012), or in the Rights Shares in their nil-paid form during the period from Friday, 7 December 2012 to Friday, 14 December 2012 (being the first and the last day of dealings in the nil-paid Rights Shares respectively, both days inclusive), will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any shareholder or other person contemplating selling or purchasing Shares and/or Rights Shares in their nil-paid forms during such periods who is in any doubt about his/her position is advised to consult his/her professional adviser.

務請注意,股份已由二零一二年十一月二十八日(星期三)起按除權基準買賣,而該等股份及未繳股款供股股份之買賣將於供股之條件尚未達成前進行。任何股東或他人人士於供股之所有條件達成或豁免(視情況而定)當日(預期為二零一二年十二月二十日(星期四))前買賣股份,或於二零一二年十二月七日(星期五)至二零一二年十二月十四日(星期五)(即分別為未繳股款供股股份買賣首日及最後一日)期間(包括首尾兩日)買賣未繳股款供股股份,將因此承擔供股未能成為無條件或不進行之風險。任何關於此等期間買賣股份及/或未繳股款供股股份之股東或其他人士,如對其本身之狀況有任何疑問,務請諮詢其專業顧問。

NO RECEIPT WILL BE GIVEN. 本公司將不另發收據。

* For identification purpose only
* 備供識別



National Arts

NATIONAL ARTS HOLDINGS LIMITED

國藝控股有限公司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8228)

5 December 2012

Dear Qualifying Shareholders,

INTRODUCTION

Reference is made to the prospectus (the "Prospectus") issued by National Arts Holdings Limited (the "Company") dated 5 December 2012 in relation to the Rights Issue. In accordance with the terms and subject to the conditions set out in the Prospectus despatched to the Shareholders, the Directors have provisionally allotted to you the Rights Shares on the basis of four Rights Shares for every one existing Share registered in your name on the register of members of the Company as at the close of business on the Record Date (i.e. Tuesday, 4 December 2012). Your holding of Shares as at the close of business on the Record Date is set out in Box A and the number of Rights Shares provisionally allotted to you is set out in Box B. Terms defined in the Prospectus have the same meanings herein unless the context indicates otherwise.

The Company will not provisionally allot fractions of Rights Shares in nil-paid form. All fractions of Rights Shares will be aggregated and all nil-paid Rights Shares arising from such aggregation will be sold in the market and, if a premium (net of expenses) can be achieved, the Company will keep the net proceeds for its own benefit. Any unsold fractions of Rights Shares will be made available for excess application, using the accompanying EAF.

Arrangements will be made for Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders, to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, will be paid to the Non-Qualifying Shareholders in Hong Kong dollars as soon as practicable except that the Company will retain individual amounts of HK\$100 or less for its own benefit. Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders and which are not sold, and Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders, will be available for excess applications by the Qualifying Shareholders using the accompanying EAF.

The Rights Shares, when fully paid, will rank pari passu in all respects among themselves and with the then existing issued Shares, including the right to receive all future dividends and distributions which may be declared, made or paid after the date of allotment and issue of the Rights Shares in their fully-paid forms.

The Prospectus has not been registered under any securities or equivalent legislation of any jurisdictions other than the applicable laws in Hong Kong and Bermuda. No action has been taken to permit the Rights Issue in any territory outside Hong Kong. No person receiving a PAL or EAF in any territory outside Hong Kong may treat it as an offer or invitation to apply for the Rights Shares or excess Rights Shares, unless in a territory where such offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements thereof. Subject as referred to below, it is the responsibility of anyone outside Hong Kong wishing to make an application for the Rights Shares to satisfy himself/herself, before acquiring any rights to subscribe for the provisionally allotted Rights Shares or excess Rights Shares, as to the observance of the laws and regulations of all relevant territories, including the obtaining of any governmental or other consents and to pay any taxes and duties required to be paid in such territory in connection therewith. No application for the Rights Shares will be accepted from the Non-Qualifying Shareholders. The Company reserves the right to refuse to accept any application for the Rights Shares or excess Rights Shares where it believes that doing so would violate the applicable securities legislation or other laws or regulations of any jurisdiction.

TERMINATION OF THE UNDERWRITING AGREEMENT

It should be noted that the Underwriting Agreement in respect of the Rights Issue contains provisions entitling the Underwriter to terminate the Underwriting Agreement by notice in writing to the Company at any time prior to the Latest Time For Termination (which is expected to be 4:00 p.m. on Thursday, 20 December 2012) if, prior to the Latest Time For Termination: (A) the Underwriter shall become aware of the fact that, or shall have reasonable cause to believe that any of the warranties in the Underwriting Agreement was untrue, inaccurate, misleading or breached, and in each case the same is (in the absolute opinion of the Underwriter) material in the context of the Rights Issue; or (B) there shall be: (i) any new law or regulation is enacted, or there is any change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority, whether in Hong Kong or elsewhere; (ii) any change in local, national or international financial, political, industrial or economic conditions; (iii) any change of an exceptional nature in local, national or international equity securities or currency markets; (iv) any local, national or international outbreak or escalation of hostilities, insurrection or armed conflict; (v) any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange; (vi) any suspension in the trading of the Shares on the Stock Exchange for a continuous period of 7 trading days (as defined in the GEM Listing Rules); (vii) any change or development involving a prospective change in taxation or exchange controls in Hong Kong or elsewhere which is or are, in the absolute opinion of the Underwriter: (a) likely to have a material adverse effect on the business, financial position or prospects of the Group taken as a whole; or (b) likely to have a material adverse effect on the success of the Rights Issue or the level of Rights Shares to be taken up; or (c) so material as to make it inappropriate, inadvisable or inexpedient to proceed further with the Rights Issue, then the Underwriter may, by notice in writing given to the Company on or before the Latest Time For Termination, rescind the Underwriting Agreement and thereupon all obligations of the Underwriter hereunder shall cease and determine and no party shall have any claim against any other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement (save for any antecedent breaches hereof) and the Rights Issue shall not proceed.

PROCEDURE FOR ACCEPTANCE AND PAYMENT

To take up your provisional allotment of Rights Shares in full, you must lodge the whole of the PAL intact with the Branch Registrar, Tricor Secretaries Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong together with a remittance for the full amount payable on acceptance, as shown in Box C, no later than 4:00 p.m. Wednesday, 19 December 2012. All remittances must be in Hong Kong dollars. Cheques must be drawn on an account with, or cashier's orders must be issued by, a licensed bank in Hong Kong and must be made payable to "NATIONAL ARTS HOLDINGS LIMITED - RIGHTS ISSUE ACCOUNT" and crossed "Account Payee Only". Such payment will constitute acceptance of the provisional allotment on the terms of this PAL and the Prospectus and subject to the memorandum of continuance and bye-laws of the Company. No receipt will be given for such remittances.

It should be noted that, unless a PAL, duly completed, together with the appropriate remittance shown in Box C, has been received as described above by 4:00 p.m. on Wednesday, 19 December 2012, whether by the original allottee or any person in whose favour the rights have been validly transferred, this provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. The Company may (in its sole discretion) treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if not completed in accordance with the relevant instructions. The Company may require such incomplete provisional allotment letter to be completed by the relevant applicants at a later stage. Completion and return of this PAL will constitute a warranty and representation to the Company that all registration, legal and regulatory requirements of all relevant territories other than Hong Kong, in connection with the PAL and any acceptance of it, have been, or will be, duly complied with. Please note that no provisional allotment of Rights Shares will be made to the Non-Qualifying Shareholders and no PAL or EAF will be sent to them.

TRANSFER

If you wish to transfer all of your rights to subscribe for the Rights Shares provisionally allotted to you hereunder, you must complete and sign the accompanying form of transfer and nomination (Form B), and hand this PAL to the person(s) to or through whom you are transferring your rights hereunder. The transferee(s) must then complete and sign the registration application form (Form C), and lodge this PAL intact together with a remittance for the full amount payable on acceptance as shown in Box C with the Branch Registrar, Tricor Secretaries Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong no later than 4:00 p.m. on Wednesday, 19 December 2012. All remittances must be in Hong Kong dollars and cheques must be drawn on a bank account with, and cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "NATIONAL ARTS HOLDINGS LIMITED - RIGHTS ISSUE ACCOUNT" and crossed "Account Payee Only". It should be noted that stamp duty is payable in connection with the transfer of your rights to subscribe for the relevant Rights Shares to the transferee(s) and the acceptance by the transferee(s) of such rights.

SPLITTING

If you wish to accept only part of your provisional allotment or to transfer a part of your rights to subscribe for the Rights Shares provisionally allotted to you or transfer your rights to more than one person, the original PAL must be surrendered no later than 4:30 p.m. on Tuesday, 11 December 2012 at the Branch Registrar in Hong Kong, Tricor Secretaries Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, which will cancel the original PAL and issue new PAL(s) in the denominations required, which will be available for collection within three business days from the date of lodgment.

APPLICATION FOR EXCESS RIGHTS SHARES

If you wish to apply for any Rights Shares in addition to those provisionally allotted to you, you should complete and sign the accompanying EAF and lodge it, together with a separate remittance for the amount payable on application in respect of the excess Rights Shares applied for, in accordance with the instructions set out in it with the Branch Registrar, Tricor Secretaries Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong no later than 4:00 p.m. on Wednesday, 19 December 2012. All remittances must be in Hong Kong dollars and must be forwarded either by cheque drawn on a Hong Kong Dollar account with a licensed bank in Hong Kong or by a separate cashier's order issued by a licensed bank in Hong Kong. All such cheques or cashier's orders must be made payable to "NATIONAL ARTS HOLDINGS LIMITED - EXCESS APPLICATION ACCOUNT" and crossed "Account Payee Only". No receipt will be given for such remittances.

The Directors will allocate the excess Rights Shares at their discretion on a fair and equitable basis on the following principles:

- (1) preference will be given to applications for topping-up odd lots holdings to whole lot holdings; and
- (2) subject to availability of excess Rights Shares after allocation under principle (1) above, any further remaining excess Rights Shares will be allocated to the Qualifying Shareholders based on a sliding scale with reference to the number of the excess Rights Shares applied for by them (i.e. the Qualifying Shareholders applying for smaller numbers of Rights Shares are allocated with a higher percentage of successful application but will receive less number of Rights Shares; whereas the Qualifying Shareholders applying for larger numbers of Rights Shares are allocated with a smaller percentage of successful application but will receive higher number of Rights Shares).

In the event that the Company discovered certain applications may have been made with the intention to abuse the mechanism whereby preference would have been given to applications for topping up odd-lot holdings, the Company will change the allocation method for the excess Rights Shares on a fair and equitable basis.

CHEQUES AND CASHIER'S ORDERS

All cheques and cashier's orders will be presented for payment immediately following receipt and all interest earned on such monies will be retained for the benefit of the Company. Completion and return of a PAL together with a cheque or cashier's order in payment for the Rights Shares accepted will constitute a warranty by the subscriber that the cheque or cashier's order will be honoured on first presentation. Without prejudice to its other rights in respect thereof, the Company reserves the right to reject any PAL in respect of which the accompanying cheque or cashier's order is dishonoured on first presentation, and, in that event, the relevant provisional allotment and all rights given pursuant to it will be deemed to have been declined and will be cancelled. In the event of the subscription being cancelled, the amount tendered for subscription, in full without interest will be sent by ordinary post at your own risk to your registered addresses, or other persons entitled thereto on or before Monday, 24 December 2012.

SHARE CERTIFICATES

It is expected that the share certificates for all fully-paid Rights Shares are expected to be posted by the Branch Registrar, Tricor Secretaries Limited, by ordinary post to the persons entitled thereto at their own risk on or before Monday, 24 December 2012. You will receive one share certificate for all the Rights Shares and/or excess Rights Shares (if any), both in fully-paid form allotted and issued to you.

GENERAL

Lodgment of this PAL with, where relevant, the form of transfer and nomination purporting to have been signed by the person(s) in whose favour the PAL has been issued, shall be conclusive evidence of the party or parties lodging it to deal with the same and to receive a split letter of allotment and/or the share certificates for Rights Shares. Copies of the Prospectus are available from the Branch Registrar, Tricor Secretaries Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.

All documents, including cheques for amounts due, will be sent by ordinary post at the risk of the relevant applications or other persons entitled thereto.

The PAL and all acceptances of the offer contained in it shall be governed by and construed in accordance with the laws of Hong Kong.

Yours faithfully,
By order of the Board of
National Arts Holdings Limited
Law Po Yee
Chief Executive Officer

* For identification purpose only

IN THE EVENT OF TRANSFER OF RIGHTS TO SUBSCRIBE FOR RIGHTS SHARES, AD VALOREM STAMP DUTY IS PAYABLE ON EACH SALE AND EACH PURCHASE. A GIFT OR TRANSFER OF BENEFICIAL INTEREST OTHER THAN BY WAY OF SALE IS ALSO LIABLE TO AD VALOREM STAMP DUTY. EVIDENCE OF PAYMENT OF AD VALOREM STAMP DUTY WILL BE REQUIRED BEFORE REGISTRATION OF ANY TRANSFER OF THE ENTITLEMENTS TO THE RIGHTS SHARES REPRESENTED BY THIS DOCUMENT.

在轉讓認購供股股份之權利時，每項買賣雙方均須繳付從價印花稅。除出售之外，饋贈或轉讓實際擁有之權益亦須繳付從價印花稅。在本文件所指之任何供股股份轉讓權登記之前，須出示已繳付從價印花稅之證明。

Form B
表格乙

FORM OF TRANSFER AND NOMINATION
轉讓及提名表格

(To be completed and signed only by the Qualifying Shareholder(s) who wish(es) to transfer all of his/their right(s) to the Rights Shares comprised herein)
(僅供擬將其/彼等於本表格所列供股股份之權利全數轉讓之合資格股東填寫及簽署)

To: The Directors
National Arts Holdings Limited
致： 國藝控股有限公司
列位董事 台照

Dear Sirs,
I/We hereby transfer all of my/our rights to subscribe for the Rights Shares comprised in this PAL to the person(s) accepting the same and signing the registration application form (Form C) below.
敬啟者：
本人/吾等謹將本暫定配額通知書所列本人/吾等認購供股股份之全部權利轉讓予接受此權利並簽署下列登記申請表格(表格丙)之人士。

1. _____ 2. _____ 3. _____ 4. _____

Signature(s) (all joint Shareholders must sign)
簽署(所有聯名股東均須簽署)

Date 日期: _____, 2012

Stamp duty of HK\$5.00 and Ad valorem stamp duty are payable by the transferor(s) in connection with the transfer of your rights to subscribe for the Rights Shares.
轉讓人轉讓有關供股股份之認購權時須支付5.00港元之印花稅以及支付從價印花稅。

Form C
表格丙

REGISTRATION APPLICATION FORM
登記申請表格

(To be completed and signed only by the person(s) to whom the rights to subscribe for the Rights Shares has been transferred)
(僅供承讓認購供股股份權利之人士填寫及簽署)

To: The Directors
National Arts Holdings Limited
致： 國藝控股有限公司
列位董事 台照

Dear Sirs,
I/We request you to register the number of Rights Shares mentioned in Box B of Form A in my/our name(s). I/we agree to accept the same on the terms embodied in this PAL and the Prospectus and subject to the memorandum of continuance and bye-laws of the Company.
敬啟者：
本人/吾等謹請閣下將表格甲中乙欄所列數目之供股股份登記於本人/吾等名下。本人/吾等同意按照本暫定配額通知書及供股章程所載之條款，並在貴公司之公司組織章程大綱及組織章程細則之規限下接納此等股份。

Existing Shareholder(s)
Please mark X in this box
現有股東請在欄內填上「X」號

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To be completed in **BLOCK LETTERS in ENGLISH**. Joint applicants should give the address of the first-named applicant only.
請用英文大楷填寫。聯名申請人僅須填寫排名首位之申請人之地址。

Name of applicant in English 申請人英文姓名	Family name or Company name 姓氏或公司名稱	Other name(s) 名字	Name in Chinese 中文姓名	
Name continuation and/or name(s) of joint applicants in English (if applicable) 申請人英文續姓名及/或聯名申請人英文姓名(如適用)				
Address in English (joint applicant should give one address only) 英文地址(聯名申請人只需填寫一個地址)				
Occupation 職業			Tel. No. 電話號碼	
Dividend Instructions 派息指示				
Name and address of bank 銀行名稱及地址			Bank Account no. 銀行戶口號碼	
			BANK 銀行	BRANCH 分行 ACCOUNT 戶口

1. _____ 2. _____ 3. _____ 4. _____

Signature(s) of applicants (all joint applicants must sign)
申請人簽署(所有聯名申請人均須簽署)

Date 日期: _____, 2012

Ad valorem stamp duty is payable by the transferee(s) in connection with the acceptance of the rights to subscribe for the Rights Shares.
承讓人接納有關供股股份之認購權時須支付從價印花稅。

Names of Chinese applicants must be given both in English and in Chinese characters.
華裔申請人須填寫中英文姓名。