

IMPORTANT

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 bear the same meanings herein unless the context otherwise appears. Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited ("Stock Exchange") and Hong Kong Securities Clearing Company Limited ("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.

THIS DOCUMENT IS VALUABLE AND IS NOT TRANSFERABLE AND IS FOR THE USE ONLY BY THE QUALIFYING SHAREHOLDER(S) NAMED BELOW WHO WISH(ES) TO APPLY FOR THE RIGHTS SHARES IN ADDITION TO THOSE ALLOTTED PROVISIONALLY TO HIM/HER/THEM. APPLICATION MUST BE RECEIVED BY 4:00 P.M. ON WEDNESDAY, 19 DECEMBER 2012. 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.

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, has been registered 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.

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. 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.

It should be noted that the Underwriting Agreement contains provisions entitling the Underwriter to terminate the Underwriting Agreement, by notice in writing to the Company, on the occurrence of certain events, which have been set out in the paragraph headed "Termination of the Underwriting Agreement" under the section headed "The Underwriting Agreement" in the "Letter from the Board" section of the Prospectus before such day as specified in the Underwriting Agreement. If the Underwriting Agreement is terminated by the Underwriter or if it does not become unconditional, then the Rights Issue will not proceed.

It should be noted that the Shares had been dealt in on an ex-rights basis since Wednesday, 28 November 2012. Dealings in the Rights Shares in their nil-paid form will take place from Friday, 7 December 2012 to Friday, 14 December 2012 (both days inclusive). If the conditions of the Rights Issue are not fulfilled and/or waived at or before 4:00 p.m. on Thursday, 20 December 2012 (for such later time and/or date as the Company and the Underwriter may determine), the Underwriting Agreement shall terminate and the Rights Issue will lapse. Any persons contemplating buying or selling Shares up to the date on which all the conditions of the Rights Issue are fulfilled and/or waived, and any dealing in the Rights Shares in their nil-paid form between Friday, 7 December 2012 to Friday, 14 December 2012 (both days inclusive), bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating dealing in the Shares or the Rights Shares in their nil-paid form are recommended to consult their own professional advisers.

This form of application for excess Rights Shares and any acceptance of and application made on it are governed by and shall be construed in accordance with the laws of Hong Kong.



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)

**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
FORM OF APPLICATION FOR EXCESS RIGHTS SHARES ("EAF")**

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

Registered Office of the Company:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

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

Name(s) and address of Qualifying Shareholder(s)

Application can only be made by
the Qualifying Shareholder(s)
named here.

To: The Directors
National Arts Holdings Limited

Dear Sirs,

I/We, being the Qualifying Shareholder(s) named above of Shares, hereby irrevocably apply for _____ excess Rights Share(s) at the issue price of HK\$0.10 per Rights Share under the Rights Issue.

I/We enclose a separate remittance by cheque or cashier's order in favour of "NATIONAL ARTS HOLDINGS LIMITED - EXCESS APPLICATION ACCOUNT" and crossed "Account Payee Only" issued for HK\$_____ being payment in full on application for the aforementioned number of excess Rights Shares. I/we hereby request you to allot such excess Rights Shares applied for, or any smaller number, to me/us and to send by ordinary post at my/our risk to the address shown above my/our Share certificate(s) for the number of additional Rights Shares allotted to me/us in respect of this application and/or a cheque for any application monies refundable to me/us. I/We understand that allotment of excess Rights Shares in respect of this application shall be made by the Directors 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.

I/We acknowledge that I am/we are not guaranteed to be allotted any of the excess Rights Shares applied for.

I/We, hereby undertake to accept such number of additional Rights Shares as may be allotted to me/us as aforesaid upon the terms set out in the Prospectus and subject to the memorandum of continuance and bye-laws of the Company. In respect of any additional Rights Shares allotted to me/us, I/we authorize you to place my/our name(s) on the register of members of the Company as holder(s) of such Rights Shares.

* Any payments for Rights Shares should be rounded down to 2 decimal points.

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

Signature(s) of applicant(s) (all joint applicants must sign)

Date: _____, 2012

Contact Tel. no.: _____

This form should be completed and lodged, together with payment as to HK\$0.10 per Rights Share for the number of excess Rights Shares applied for, 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 made 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". All enquiries in connection with this form of application for excess Rights Shares should be addressed to the Branch Registrar at the above address.

Completion and return of this EAF together with a cheque or a cashier's order in payment for the Rights Shares applied for which are the subject of this form will constitute a warranty by the applicant that the cheque or the cashier's order will be honoured on first presentation. 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. If any cheque or cashier's order accompanying this application is dishonoured on first presentation, without prejudice to the other rights of the Company, this EAF is liable to be rejected and cancelled.

Documents issued in connection with the Rights Issue have not been registered or filed under any applicable securities legislation of any jurisdiction other than Hong Kong and Bermuda. No action has been taken to permit the offering of the Rights Shares or the distribution of any documents issued in connection with the Rights Issue in any territory other than Hong Kong.

You will be notified by the Branch Registrar of any allotment of excess Rights Shares made to you. If no excess Rights Shares are allotted to you, a refund cheque for the full amount tendered on application without interest will be posted to you by ordinary post at your own risk and, if the number of excess Rights Shares allotted to you is less than that applied for, a cheque for the surplus application monies without interest will be posted to you by ordinary post at your own risk. Such posting is expected to take place on or before Monday, 24 December 2012. Any such cheque will be drawn in favour of the person(s) named on this form. It is expected that Share certificates in respect of the Rights Shares will be posted by ordinary post at your 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.

All documents, including cheques for amount due, will be sent by ordinary post at the risk of the relevant applicants or other persons entitled thereto to their registered address by the Branch Registrar. This EAF and all applications pursuant to it shall be governed by and construed in accordance with the laws of Hong Kong.

**A SEPARATE CHEQUE OR CASHIER'S ORDER MUST ACCOMPANY EACH APPLICATION
NO RECEIPT WILL BE GIVEN
For office use only**

Application number	No. of excess Rights Shares applied for	Amount paid on application	Balance returned
		HK\$	HK\$