

PRIME PRECISION HOLDINGS LIMITED

PRESENT

PRIVATE AND CONFIDENTIAL

Aurum Pacific (China) Group Limited
Unit 903, 9/F.
Wings Building
110 – 116 Queen's Road Central
Central, Hong Kong
Attn.: Board of Directors

Date : 11 April 2012

Dear Sirs

Facilities of up to HK\$20,000,000

Reference is made to the conditional agreement (the “**Agreement**”) dated 30 March 2012 entered into between Hong Sheng Group Limited as vendor and us as purchaser in relation to, among others, the sale and purchase of the 142,651,965 issued shares of HK\$0.01 each in your Company, representing approximately 71.33% of the issued share capital of your Company. Unless otherwise stated, capitalised terms used herein shall bear the same meanings as defined in the Agreement.

Pursuant to the terms and conditions of the Agreement, we, Prime Precision Holdings Limited (the “**Lender**”), are pleased to confirm that we have agreed to make available to your Company, Aurum Pacific (China) Group Limited, (the “**Borrower**”) loan facilities (the “**Facilities**”) of up to HK\$20,000,000 (Twenty Million Hong Kong Dollars) for the purpose of general working capital of your Group (including but not limited to payment of consideration of future appropriate investment and settlement of loans of the Group when due) subject to and upon the terms and conditions set out below:

1. The Facilities

The Lender has, at the request of the Borrower, agreed to make available to the Borrower the Facilities for the purpose of general working capital of the Group (including but not limited to payment of consideration of future appropriate investment and settlement of loans of the Group when due) subject to and upon the terms and conditions of this Facilities Letter.

The Facilities may be drawn during the period commencing from the date of this letter and ending on 11 April 2014 (or such other date as the parties hereto may agree) (the “**Availability Period**”) by the Borrower giving not less than one (1) Business Day's prior written notice of the proposed drawing to the Lender. All drawings shall be deposited in a designated account of the Group as the Lender may direct and each drawing under the Facilities shall be for a sum of HK\$1,000,000 or an integral multiple thereof. Any Facilities remaining undrawn after the expiry of Availability Period shall be cancelled forthwith.

For the purpose of this Facilities Letter, a “**Business Day**” shall mean a day on which licensed banks in Hong Kong are generally open for business throughout their normal trading hours except Saturday and Sunday.

2. Borrower’s undertaking

The Borrower undertakes that all drawings shall only be used for the purpose of general working capital of the Group (including but not limited to payment of consideration of future appropriate investment and settlement of loans of the Group when due).

3. Availability

The availability of the Facilities and each drawing under the Facilities is conditional on the following:

- (a) the delivery of a notice of proposed drawing (in such form and substance as may be agreed between the Lender and the Borrower) by the Borrower to the Lender not less than one Business Day’s written notice at any time before 11:00 a.m. (Hong Kong time) immediately prior to the intended drawdown date of the relevant drawing;
- (b) No Event of Default shall have occurred or is continuing on the intended drawdown date of the relevant drawing; and
- (c) No default or breach under the Agreement shall have occurred or is continuing on the intended drawdown date of the relevant drawing.

4. Interest

No interest shall be accrued on the Facilities. In the Event of Default occurred, interest shall accrue on the Facilities at the rate of **8%** per annum from the date of default until repayment in full and shall be calculated on the actual number of days elapsed and on the basis of a 365-day year.

5. Repayment

The Facilities drawn and for the time being outstanding together with all interest accrued thereon (if any) shall be repaid on or before 11 April 2014 (or such other date as the Lender and the Borrower may agree) (the “**Repayment Date**”).

Without prejudice to any other provisions of this Facilities Letter, the Lender shall have the overriding right at any time by written notice to the Borrower to demand immediate repayment of the Facilities and all interest accrued thereon and all other monies payable under this Facilities Letter whereupon the same shall be repaid by the Borrower within seven (7) Business Days from the date of such notice.

Subject to prior consent of the Lender (such consent shall not be unreasonably withheld or delayed), the Borrower shall have the right to prepay the whole or any part of the Facilities.

6. Payments without deduction

All payment by the Borrower hereunder shall be made without set-off or counterclaim and free and clear of and without deduction or withholding for or on account of all present and future taxes, levies, imposts, duties, fees or other restrictions or conditions whatsoever.

7. Waiver

No waiver of any of our rights or powers by the Borrower or the Lender shall be valid unless signed by the Borrower or the Lender in writing. No failure or delay by the Borrower or the Lender in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies provided herein are cumulative and not exclusive of any rights or remedies provided by law.

8. Events of Default

8.1 There shall be an event of default (an “**Event of Default**”) if any one or more of the following events shall have occurred or is continuing:

(a) Non-Payment: the Borrower fails to pay any amount due from it under this Facilities Letter to which it is a party to which it is a party in the manner specified herein or therein on the due date for payment; or

(b) Other Obligations: the Borrower commits any breach of or omits to observe any of its undertakings or obligations under this Facilities Letter to which it is a party and such breach or omission, if capable of remedy, is not remedied within 7 days of notice to the Borrower from the Lender requiring remedy of the same; or

(c) Breach of Representation: any representation or warranty made or deemed to be repeated by the Borrower pursuant to this Facilities Letter to which it is a party (as the case may be) is or proves to have been incorrect when made or repeated and, if capable of remedy, is not remedied within 7 days of notice to the Borrower from the Lender requiring remedy of the same; or

(d) Authorisation: any consent, licence, approval or authorisation referred to in this Facilities Letter is modified in a manner unacceptable to the Lender or is not granted or is suspended or revoked or terminated or expires and is not renewed or otherwise ceases to be in full force and effect and such modification, failure to grant, suspension, revocation, termination, expiry, non-renewal or other cessation to be in full force and effect, if capable of remedy, is not remedied within 7 days of notice from the Lender to the Borrower requiring remedy of the same; or

(e) Enforcement: any execution is levied against, or an administrator, receiver, trustee or similar officer is appointed or an encumbrancer takes possession of the whole, or any material part, of the property, undertaking or assets of the Borrower and is not discharged within 7 days; or

(f) Insolvency: the Borrower is unable to pay its debts as they fall due, or stops payment under its obligations generally, or commences negotiations with its creditors generally with a view to the general readjustment or rescheduling of its financial indebtedness or makes a general assignment for the benefit of or a composition with its creditors or if the Borrower ceases to carry on its business or a substantial part of its business and such inability to pay debts or cessation of payment or commencement of negotiation or making of a general assignment or cessation of business is not rectified or discontinued, as the case may be, to the satisfaction of the Lender within 7 days of notice from the Lender to the Borrower as the case may be requiring the same; or

(g) Winding-up: the Borrower takes any action or any other steps are taken or proceedings are commenced by the Borrower or any other person for its winding-up, dissolution, bankruptcy or liquidation or for the making of an administration order or for the appointment of a receiver, administrative receiver, trustee or similar officer of it or of any or all of its revenues and assets and such action, steps or proceedings is not discharged or discontinued within 7 days; or

(h) Other Jurisdictions: any event occurs or proceeding is taken with respect to the Borrower in any jurisdiction to which it is subject which has an effect which is equivalent or similar to any of the events mentioned in sub-paragraphs (e), (f) and (g); or

(i) Cross Default: the Borrower defaults or receives notice of default under any agreement or obligation whether relating to borrowing or other matters or any indebtedness of the Borrower becomes payable, or capable of being, or is declared payable before its stated maturity or is not paid when due or any security interest, guarantee or other security now or hereafter created by the Borrower becomes enforceable and such default or failure to pay is not remedied within 7 days of notice from the Lender to the Borrower requiring remedy of the same; or

(j) Material Adverse Change: any other event or circumstance arises which, in the opinion of the Lender, is likely materially and adversely to affect the ability of the Borrower to perform all or any of its obligations under or otherwise to comply with the terms of this Facilities Letter to which it is a party and is not remedied to the satisfaction of the Lender within 7 days of notice from the Lender to the Borrower requiring remedy of the same; or

(k) Repudiation: the Borrower repudiates this Facilities Letter to which it is a party or does or causes to be done any act or thing evidencing an intention to repudiate this Facilities Letter to which it is a party or any action or proceedings are commenced (and not withdrawn or dismissed within a period of 14 days after its commencement) to enjoin or restrain the performance of or compliance with any respective obligation of the Borrower under this Facilities Letter to which it is a party or otherwise dispute the ability

of the Borrower to enter into, exercise its respective rights or perform or comply with its obligations under this Facilities Letter to which it is a party; or

(l) Reconstruction, amalgamation, reorganisation or takeover of the Borrower: any lawful step is taken by any person for the purpose of a reconstruction, amalgamation, reorganisation or take-over involving the Borrower to which it is a party or one reasonably considered by the Lender as having an adverse effect on the interest or position of the Lender under this Facilities Letter to which it is a party; or

(m) Failure to pay: the Borrower fails to make any payment or perform an obligation on a due date for such payment or obligation or becomes bound to repay prematurely any other loan or other obligation for borrowed money by reason of a default by it or if it fails to make any payment in respect thereof on a due date for such payment or becomes bound to make payment under any guarantee given by it by reason of a default by the principal debtor or if it fails to make any payment in respect thereof on the due date for such payment or any present or future security on or over any asset of the Borrower becomes enforceable;

8.2 Upon the occurrence of an Event of Default and at any time thereafter, the Lender may by notice in writing to the Borrower:

(a) declare the Facilities to be terminated whereupon the Facilities shall be forthwith cancelled; and

(b) declare the principal amount drawn and for the time being outstanding under the Facilities, all interest accrued thereon and all other monies payable under this Facilities Letter to be forthwith due and payable, without presentation, demand, protest or notice of any kind, all of which are hereby expressly waived by the Borrower, whereupon the same shall become forthwith due and payable.

9. Costs and expenses

Each party shall bear its costs and expenses (including legal expenses) issued in relation to the preparation, negotiation, execution and performance of this Facilities Letter.

10. Assignment

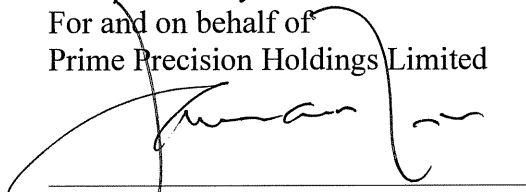
The Borrower and the Lender may not assign or transfer all or part of their rights or obligations under this Facilities Letter without the prior written consent of the Lender.

11. Governing Law

This Facilities Letter shall be governed by and construed in accordance with the laws of the Hong Kong Special Administrative Region of the People's Republic of China and the Borrower and the Lender hereby irrevocably submit to the non-exclusive jurisdiction of the courts of the Hong Kong Special Administrative Region of the People's Republic of China.

Please confirm your acceptance of the above terms by signing, dating and returning to us the attached copy of this Facilities Letter.

Yours faithfully
For and on behalf of
Prime Precision Holdings Limited

A handwritten signature in black ink, appearing to read 'Lau Man Tak', is written over a horizontal line. The signature is stylized with a large initial 'L' and a long horizontal stroke.

Name: Lau Man Tak

Title: Director

Date: 11 April 2012

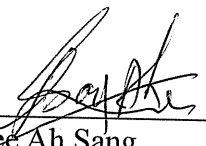
Confirmation of acceptance

To: Prime Precision Holdings Limited

We accept the abovementioned terms and conditions for your grant of the Facilities to us and agree to be bound thereby.

Date:

For and on behalf of
Aurum Pacific (China) Group Limited



Name: Lee Ah Sang
Title: Director