

The whole of this document must be returned to be valid.

本文件必須整份交回方為有效。

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 OF PYI CORPORATION LIMITED (THE "COMPANY") DATED 12 JUNE 2009 (THE "PROSPECTUS") IN RELATION TO THE RIGHTS ISSUE. TERMS DEFINED IN THE PROSPECTUS SHALL BEAR THE SAME MEANINGS AS THEY ARE USED HEREIN, UNLESS THE CONTEXT REQUIRES OTHERWISE.

本通知書有價值及可轉讓，閣下並須即時處理。本通知書及隨附額外供股股份申請表格所載之認購邀請於2009年6月30日(星期二)下午4時正截止。

IF YOU ARE IN ANY DOUBT ABOUT THIS LETTER OR AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT A LICENSED SECURITIES DEALER, BANK MANAGER, SOLICITOR, PROFESSIONAL ACCOUNTANT OR OTHER PROFESSIONAL ADVISOR.

閣下對本通知書之內容或應採取之行動如有任何疑問，應諮詢持牌證券交易商、銀行經理、律師、專業會計師或其他專業顧問。

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited ("HKSCC") take no responsibility for the contents of this letter, 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 letter.

香港交易及結算所有限公司、香港聯合交易所有限公司及香港中央結算有限公司(「香港結算」)對本通知書之內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示，概不對因本通知書全部或任何部分內容而產生或因此招致之任何損失承擔任何責任。

Deals in securities of the Company may be settled through the Central Clearing and Settlement System ("CCASS") operated by HKSCC and you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser for details of these settlement arrangements and how such arrangements may affect your rights and interests.

本公司證券之買賣可以透過由香港結算營辦之中央結算及交收系統(「中央結算系統」)進行交收，閣下應諮詢持牌證券交易商、銀行經理、律師、專業會計師或其他專業顧問有關交收安排之詳情，以及該等安排對閣下享有之權利與權益所構成之影響。

Subject to the granting of the listing of, and permission to deal in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as the compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in Rights Shares in both their nil-paid and fully-paid forms or such other dates as determined by HKSCC.

倘未繳股款及繳足股款供股股份獲准於聯交所上市及買賣，並在符合香港結算之股份收納規定下，則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，可由未繳股款及繳足股款供股股份各自開始買賣日期或香港結算所指定之其他日期起，於中央結算系統內寄存、結算及交收。所有中央結算系統之活動，均依據不時生效之中央結算系統一般規則及中央結算系統運作程序進行。

A copy of each of the Prospectus Documents and the documents mentioned in the paragraph headed "Documents delivered to the Registrars of Companies" in appendix IV to the Prospectus, has been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies Ordinance.

一份每份之招股章程文件及招股章程文件內所載之文件，已根據公司條例第342C條之規定呈交香港公司註冊處處長登記。各份章程文件已依總公司法送呈百慕達公司註冊處處長存案。香港證券及期貨事務監察委員會、香港公司註冊處處長及百慕達公司註冊處處長對任何該等文件之內容概不負責。

If you wish to exercise your right to subscribe for all the Rights Shares specified in this letter, you should lodge this letter in accordance with the instructions printed herein, together with a remittance for the full amount payable on acceptance, with the Registrar, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong by no later than 4:00 p.m. on Tuesday, 30 June 2009.

凡閣下欲行使閣下之權利認購本通知書指定之所有供股股份，閣下必須遲於2009年6月30日(星期二)下午4時正前按照本通知書印列之指示將本通知書連同須於接納時繳付之全部股款送交註冊處卓佳秘書商務有限公司，地址為香港灣仔皇后大道東26號金鐘匯中心26樓，所有股款均須以港元支票或銀行本票繳付，而支票或銀行本票則須以香港之銀行戶口開出，註明抬頭人為「PYI CORPORATION LIMITED - RIGHTS ISSUE ACCOUNT」，並以「只准入抬頭人賬戶」劃線方式開出。

All remittances must be made by cheque or cashier's order in Hong Kong dollars. Cheques must be drawn on an account with, and cashier's orders must be issued by, a bank in Hong Kong and made payable to "PYI CORPORATION LIMITED - RIGHTS ISSUE ACCOUNT" and crossed "ACCOUNT PAYEE ONLY".

倘閣下擬行使閣下之權利認購本通知書指定之所有供股股份，閣下必須遲於2009年6月30日(星期二)下午4時正前按照本通知書印列之指示將本通知書連同須於接納時繳付之全部股款送交註冊處卓佳秘書商務有限公司，地址為香港灣仔皇后大道東26號金鐘匯中心26樓，所有股款均須以港元支票或銀行本票繳付，而支票或銀行本票則須以香港之銀行戶口開出，註明抬頭人為「PYI CORPORATION LIMITED - RIGHTS ISSUE ACCOUNT」，並以「只准入抬頭人賬戶」劃線方式開出。

所有支票或銀行本票必須以港元支票或銀行本票繳付，而支票或銀行本票則須以香港之銀行戶口開出，註明抬頭人為「PYI CORPORATION LIMITED - RIGHTS ISSUE ACCOUNT」，並以「只准入抬頭人賬戶」劃線方式開出。



保華集團有限公司* PYI Corporation Limited

(Incorporated in Bermuda with limited liability) (於百慕達註冊成立之有限公司) (Stock code: 498) (股份代號: 498) (Warrant code: 849) (認股權證代號: 849)

Branch share registrar and transfer office and warrant registrar of the Company in Hong Kong:

本公司於香港的股份過戶登記處及認股權證登記處: Tricor Secretaries Limited 26th Floor, Tesbury Centre 28 Queen's Road East Wanchai Hong Kong 卓佳秘書商務有限公司 香港 灣仔 皇后大道東26號 金鐘匯中心26樓

Head office and principal place of business in Hong Kong:

總辦事處及香港主要營業地點: 31st Floor Paul Y. Centre 51 Hung To Road Kwun Tong Kowloon Hong Kong 香港 九龍 觀塘 鴻圖道51號 保華企業中心31樓

Registered office: 註冊辦事處: Clarendon House 2 Church Street Hamilton HM 11 Bermuda

12 June 2009 2009年6月12日

RIGHTS ISSUE ON THE BASIS OF TWO RIGHTS SHARES FOR EVERY SHARE HELD ON THE RECORD DATE AT THE SUBSCRIPTION PRICE OF HK\$0.12 PER RIGHTS SHARE BY QUALIFYING SHAREHOLDERS

PAYABLE IN FULL ON ACCEPTANCE BY NO LATER THAN 4:00 P.M. ON TUESDAY, 30 JUNE 2009

按合資格股東

於記錄日期每持有二股股份

獲配發兩股供股股份之基準，

以每股供股股份0.12港元之認購價進行供股

供股股款須於接納時繳足(不遲於2009年6月30日(星期二)下午4時正)

PROVISIONAL ALLOTMENT LETTER

暫定配額通知書

Total Number of Shares registered in your name(s) on Tuesday, 9 June 2009 於2009年6月9日(星期二)以下名義登記之股份總數

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

Blank area for shareholder name and address.

Box A 甲欄

Total Number of Rights Shares provisionally allotted to you subject to payment in full on acceptance by no later than 4:00 p.m. on Tuesday, 30 June 2009 (or such later date as mentioned in the paragraph headed "Effect of bad weather" overleaf)

暫定配發予閣下之供股股份總數，惟須於2009年6月30日(星期二)下午4時正前(或背頁「惡劣天氣之影響」一段所指的較後日期)接納時繳足股款方可作實

Box B 乙欄

Total subscription monies payable 應繳認購款項總額

Box C HK\$ 丙欄 港元

Contact Telephone No.:

聯絡電話號碼: _____

Deals in the Rights Shares in their nil-paid form will take place from Tuesday, 16 June 2009 to Thursday, 25 June 2009 (both dates inclusive). Such dealings will take place during a period when all the conditions to which the Rights Issue is subject remain unfulfilled.

(i) The Underwriter shall become aware of the fact that, or shall, in its opinion, believe that any of the representations and warranties contained in the Underwriting Agreement was untrue, inaccurate, misleading or breached, and in each case the same represents or is likely to represent (in the opinion of the Underwriter) a material and adverse change in the business, financial or trading position or prospects of the PYI Group as a whole or is otherwise likely to have a material and adverse effect on the Rights Issue;

(ii) 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, the People's Republic of China or elsewhere;

(iii) The occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic, currency, epidemic or other nature (whether or not sui generis with any of the foregoing or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict);

(iv) Any change in local, national or international equity securities or currency markets (including but not limited to the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange due to exceptional financial or political circumstances or otherwise);

(v) Any change or development involving a prospective change in taxation or exchange controls in Hong Kong or elsewhere which shall or may materially and adversely affect the PYI Group or a material proportion of the shareholders in their capacity as such;

(vi) Any withdrawal of the current listing of the Rights Shares or suspension in their trading on the Stock Exchange for more than 5 consecutive trading days (save for the purposes of clearing the Prospectus or any other announcements or circulars relating to the Underwriting Agreement and the ancillary agreements thereto) or indication being received from the Stock Exchange to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to in connection with the terms of the Underwriting Agreement or for any other reason;

(vii) Any change occurs in the circumstances of the Company or any member of the PYI Group which event or events is or are in the opinion of the Underwriter:

(1) likely to have a material adverse effect on the success of the Rights Issue or the level of the Rights Shares "taken up"; or

(2) likely to have a material adverse effect on the success of the Rights Issue or the level of the Rights Shares "taken up"; or

(3) so material as to make it inappropriate, inadvisable or inexpedient to proceed further with the Rights Issue, then, and in such case the Underwriter may in its absolute discretion, in addition to and without prejudice to any other remedies to which the Underwriter may be entitled, by notice in writing given to the Company on or before 4:00 p.m. on the Settlement Date, terminate the Underwriting Agreement forthwith.

Upon the giving of notice of termination, all obligations of the Underwriter under the Underwriting Agreement shall cease and determine and neither party shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement provided that the Company shall remain liable to pay to the Underwriter the fees and expenses in accordance with the terms of the Underwriting Agreement. If the Underwriter exercises such right, the Rights Issue will not proceed.

本通知書於2009年6月16日(星期二)至2009年6月25日(星期四)(包括首尾兩日)進行買賣。該等買賣將於所有條件尚未達成及期間內進行。因此，任何由即日或直至所有供股條件達成當日(指2009年7月3日(星期五))期間內買賣股份之股東或其他人士，或擬於2009年6月16日(星期二)至2009年6月25日(星期四)期間內買賣股份之股東或其他人士，務須於接納時繳足股款。倘未能於接納時繳足股款，則其認購之股份將被取消，且其認購之股份將被取消，且其認購之股份將被取消。

倘閣下欲行使閣下之權利認購本通知書指定之所有供股股份，閣下必須遲於2009年6月30日(星期二)下午4時正前按照本通知書印列之指示將本通知書連同須於接納時繳付之全部股款送交註冊處卓佳秘書商務有限公司，地址為香港灣仔皇后大道東26號金鐘匯中心26樓，所有股款均須以港元支票或銀行本票繳付，而支票或銀行本票則須以香港之銀行戶口開出，註明抬頭人為「PYI CORPORATION LIMITED - RIGHTS ISSUE ACCOUNT」，並以「只准入抬頭人賬戶」劃線方式開出。

(i) 包銷商如或按其判斷與包銷協議條款所載之任何聲明及保證有關，或已接獲聯交所指示表明有關上市可能會遭撤銷或反對(或將會或可能會附加條件)，包括但不限於其是否與包銷協議條款或任何其他原因有關；

(ii) 本公司或或受其影響之任何法團或個人之任何業務或財務狀況或前景發生重大不利變動，或可能對供股構成重大不利影響；

(iii) 香港、中華人民共和國或任何其他地區之任何法律或規例，或現行法例或規例有任何變動或有新法例或規例之詮釋或應用有任何變動；

(iv) 本地、國家或國際間發生任何政治、軍事、金融、經濟、貨幣、疫症或其他性質(無論是否與任何上述性質不同或屬於本地、國家或國際間爆發戰爭或政變或叛亂)之事件或變故(不論是屬於於立包銷協議日期及/或後發生或持續之一連串事件或變故之部份)；

(v) 本地、國家或國際間發生任何事件或變故(包括但不限於由於特殊金融或政治情況或其他原因而對聯交所一般證券之買賣施加任何延誤或限制、暫停或禁止買賣)；

(vi) 涉及香港或其他地區之任何貨幣或匯率之任何變動或發展，而將會或可能對保華集團或大股東(作為股東)構成重大不利影響；

(vii) 任何撤回或暫停目前上市之供股股份之認購邀請，或指示有關撤銷或反對(或將會或可能會附加條件)之任何指示，包括但不限於其是否與包銷協議條款或任何其他原因有關；

(viii) 本公司或或受其影響之任何法團或個人之任何業務或財務狀況或前景發生重大不利變動，或可能對供股構成重大不利影響；

(ix) 可能對成功進行供股或認購之認購水平構成重大不利影響；或

(x) 非尋常大，以致進行供股或認購為不實、不智或不妥。

倘包銷商全數或部份行使上述任何權利，則其認購之股份將被取消，且其認購之股份將被取消，且其認購之股份將被取消。倘包銷商行使該權利，則供股將不會進行。

NO RECEIPT WILL BE GIVEN 本公司將不另發收據。

* for identification purpose only 僅供識別

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

在轉讓認購供股股份之權利時，每宗買賣均須繳納從價印花稅。餽贈或轉讓（並非以出售方式）實益擁有之權益亦須繳納從價印花稅。在本文件登記之前，須出示已繳納香港從價印花稅之證明。

Form B

表格乙

FORM OF TRANSFER AND NOMINATION

轉讓及提名表格

(To be completed and signed only by Qualifying Shareholder(s) who wish(es) to transfer all of his/her/its/their rights to subscribe for the Rights Shares comprised herein)
(僅供擬將其/彼等於本表格所列認購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,

PYI Corporation Limited

致：保華集團有限公司

列位董事

Dear Sirs/Madam,

I/We hereby transfer all my/our right(s) to subscribe for the Rights Shares comprised in this letter to the person(s) accepting the same and signing the registration application form (Form C) below.

敬啟者：

本人/吾等茲將本通知書所列本人/吾等可認購供股股份之權利全數轉讓予接受此權利並簽署以下登記申請表格(表格丙)之人士。

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

Signature(s) of shareholder(s) (all joint shareholders must sign) 股東簽署 (所有聯名股東均須簽署)

Date: _____, 2009

日期：2009年 _____ 月 _____ 日

Note: Hong Kong stamp duty is payable in connection with the transfer of your rights to subscribe for the Rights Shares.

附註：轉讓 閣下可認購供股股份之權利須繳納香港印花稅。

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,

PYI Corporation Limited

致：保華集團有限公司

列位董事

Dear Sir/Madam,

I/We request you to register the number of Rights Shares mentioned in Box B of Form A in my/our name(s) and I/we agree to accept the same on the terms embodied in this letter and the Prospectus and subject to the memorandum of association and bye-laws of the Company.

敬啟者：

本人/吾等謹請 閣下將表格甲內乙欄所列之供股股份數目以本人/吾等名義登記，本人/吾等同意按照本通知書及章程所載之條款，並在 貴公司之組織章程大綱及細則限制下接納該等股份。

Existing shareholder(s)
please mark "X" in the box
現有股東請於欄內填上「X」符號

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。聯名申請人只須填報排名首位者之地址。

Name in English 英文姓名	Family name or company name 姓氏或公司名稱	Other name 名字	Name in Chinese 中文姓名
Name continuation and/or names of joint applicant(s) (if applicable) 姓名(續)及/或 聯名申請人姓名 (如適用)			
Address 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	Account Type 賬戶類別		Bank Account no. 銀行戶口號碼
			For office use only 公司專用

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

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

Date: _____, 2009

日期：2009年 _____ 月 _____ 日

Note: Hong Kong stamp duty is payable in connection with the acceptance of the transfer of the rights to subscribe for the Rights Shares.

附註：接納轉讓可認購供股股份之權利須繳納香港印花稅。



PYI Corporation Limited

(Incorporated in Bermuda with limited liability)

(Stock code: 498)

(Warrant code: 849)

Dear Qualifying Shareholders,

Reference is made to the prospectus of PYI Corporation Limited (the "Company") dated 12 June 2009 (the "Prospectus") in relation to the Rights Issue. Terms defined in the Prospectus shall bear the same meanings as they are used herein, unless the context requires otherwise. In accordance with the terms set out in the Prospectus despatched to shareholders of the Company, a copy of which is enclosed, the directors of the Company have provisionally allotted to you a number of rights shares (the "Rights Shares") on the basis of two Rights Shares for every Share of HK\$0.10 each in the capital of the Company held and registered in your name(s) as at Tuesday, 9 June 2009. Your holding of Shares as at Tuesday, 9 June 2009 is set out in Box A and the number of Rights Shares provisionally allotted to you is set out in Box B.

No action has been taken to permit the offering of the Rights Shares or the distribution of the documents in connection with the Rights Issue in any jurisdiction other than Hong Kong.

No person receiving a copy of the Prospectus or PAL or EAF in any jurisdiction outside Hong Kong may treat it as an offer or invitation to apply for the Rights Shares unless in the relevant jurisdictions, such an offer or invitation could lawfully be made without compliance with any registration or other legal or regulatory requirements. It is the responsibility of any person outside Hong Kong wishing to make on his/her/their/its behalf an application for the Rights Shares to satisfy himself/herself/themselves/itself as to the observance of the laws and regulations of all relevant jurisdiction, including the obtaining of any government or other consents, and to pay taxes and duties required to be paid in such jurisdiction in connection therewith. The Company reserves the right to refuse to accept any application for Rights Shares where it believes in doing so would violate the applicable securities or other laws or regulations of any jurisdiction.

No provisional allotment of Rights Shares has been made to the Non-Qualifying Shareholders and no PAL or EAF is being sent to them. The Company will send copies of the Prospectus to the Non-Qualifying Shareholders for their information only. 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, of more than HK\$100 will be paid pro rata to the Non-Qualifying Shareholders. The Company will retain individual amounts of HK\$100 or less for the benefit of the Company. Any unsold entitlement of Non-Qualifying Shareholders, together with any Rights Shares provisionally allotted but not accepted, will be made available for excess application on EAF by Qualifying Shareholders.

When issued, allotted and fully paid, the Rights Shares will rank pari passu in all respects with the Shares in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of allotment of the fully-paid Rights Shares.

PROCEDURE FOR ACCEPTANCE

To take up your provisional allotment in full, you must lodge the whole of this PAL intact with the Registrar, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong together with a remittance for the full amount payable on acceptance, as set out in Box C, so as to be received by no later than 4:00 p.m. on Tuesday, 30 June 2009. All remittances must be made by cheque or cashier's order in Hong Kong dollars. Cheques must be drawn on an account with, and cashier's orders must be issued by, a bank in Hong Kong and made payable to "PYI Corporation Limited – Rights Issue Account" and crossed "Account Payee Only". Such payment will constitute acceptance of the provisional allotment of Rights Shares on the terms of this PAL and the Prospectus and subject to the memorandum of association and bye-laws of the Company. No receipt will be given for such remittances. All enquiries in connection with this PAL should be addressed to the Registrar at the above address.

It should be noted that unless this PAL, together with the appropriate remittance for the amount shown in Box C, has been received as described above by no later than 4:00 p.m. on Tuesday, 30 June 2009 whether by the original allottee or any person to whom the rights have been validly transferred, this provisional allotment and all rights hereunder will be deemed to have been declined and will be cancelled. The Company is not obliged to treat but may at its absolute discretion treat a PAL as valid and binding on the person(s) by whom and on whose behalf is lodged even if the PAL is not completed in accordance with the relevant instructions.

EXCESS RIGHTS SHARES

If you are a Qualifying Shareholder and you wish to apply for any Rights Shares in addition to those provisionally allotted to you, you should complete and sign the accompanying EAF as indicated therein and lodge it, together with a separate remittance for the amount payable on application in respect of the excess Rights Shares applied for, with the Registrar, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong so as to be received by no later than 4:00 p.m. on Tuesday 30 June 2009. All remittances must be made by cheque or cashier's order in Hong Kong dollars. Cheques must be drawn on an account with, and cashier's orders must be issued by, a bank in Hong Kong and made payable to "PYI Corporation Limited – Excess Application Account" and crossed "Account Payee Only".

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 form of transfer and nomination (Form B) and hand this PAL to the person(s) to or through whom you are transferring your rights. 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 set out in Box C with the Registrar, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong so as to be received by no later than 4:00 p.m. on Tuesday, 30 June 2009. It should be noted that Hong Kong stamp duty is payable in connection with the transfer of your rights to subscribe for the relevant Rights Shares and the acceptance by the transferee(s) of such rights.

SPLITTING

If you wish to accept only part of your provisional allotment or transfer part of your rights to subscribe for the Rights Shares provisionally allotted hereunder, or to transfer your rights to more than one person, the original PAL must be surrendered and lodged for cancellation by no later than 4:00 p.m. on Monday, 22 June 2009 with the Registrar, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, who will cancel the original PAL and issue new PAL in the denominations required, which will be available for collection at Tricor Secretaries Limited after 9:00 a.m. on the second Business Day after your surrender of the original PAL.

TERMINATION OF THE UNDERWRITING AGREEMENT

Dealings in the Rights Shares in their nil-paid form will take place from Tuesday, 16 June 2009 to Thursday, 25 June 2009 (both dates inclusive). Such dealings will take place during a period when all the conditions to which the Rights Issue is subject remain unfulfilled. Any Shareholder or other person contemplating buying or selling Shares during the period from now up to the date on which all the conditions of the Rights Issue are fulfilled (which is expected to be Friday, 3 July 2009), or Rights Shares in their nil-paid form from Tuesday, 16 June 2009 to Thursday, 25 June 2009 (both dates inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional and may not proceed. Any Shareholder or other person contemplating buying or selling Shares or Rights Shares in their nil-paid form who is in any doubt about his/her/their/its position is recommended to consult his/her/their/its professional adviser.

In particular, the Directors would like to draw your attention to the fact that the Underwriter may terminate the arrangements set out in the Underwriting Agreement if at any time prior to 4:00 p.m. on the Settlement Date, one or more of the following events or matters shall occur, arise, exist, or come into effect:

- (i) the Underwriter shall become aware of the fact that, or shall, in its opinion, believe that any of the representations and warranties contained in the Underwriting Agreement was untrue, inaccurate, misleading or breached, and in each case the same represents or is likely to represent (in the opinion of the Underwriter) a material and adverse change in the business, financial or trading position or prospects of the PYI Group as a whole or is otherwise likely to have a material and adverse effect on the Rights Issue;
- (ii) the Company commits any breach of or omits to observe any of the obligations or undertakings expressed to be assumed by it under the Underwriting Agreement;
- (iii) (a) 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, the People's Republic of China or elsewhere;
- (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic, currency, epidemic or other nature (whether or not sui generis with any of the foregoing or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict);
- (c) any change in local, national or international equity securities or currency markets (including but without limitation, the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange due to exceptional financial or political circumstances or otherwise);
- (d) any local, national or international outbreak or escalation of hostilities, insurrection or armed conflict;
- (e) any change or development involving a prospective change in taxation or exchange controls in Hong Kong or elsewhere which shall or may materially and adversely affect the PYI Group or a material proportion of the shareholders in their capacity as such;
- (f) any withdrawal of the current listing of the Rights Shares or suspension in their trading on the Stock Exchange for more than 5 consecutive trading days (save for the purposes of clearing the Prospectus or any other announcements or circulars relating to the Underwriting Agreement and the ancillary agreements thereto) or indication being received from the Stock Exchange to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to in connection with the terms of the Underwriting Agreement or for any other reason;
- (g) any change occurs in the circumstances of the Company or any member of the PYI Group which event or events is or are in the opinion of the Underwriter:
 - (1) likely to have a material adverse effect on the business or financial or trading position or prospects of the PYI Group as a whole; or
 - (2) likely to have a material adverse effect on the success of the Rights Issue or the level of the Rights Shares "taken up"; or
 - (3) so material as to make it inappropriate, inadvisable or inexpedient to proceed further with the Rights Issue,

then, and in such case the Underwriter may in its absolute discretion, in addition to and without prejudice to any other remedies to which the Underwriter may be entitled, by notice in writing given to the Company on or before 4:00 p.m. on the Settlement Date, terminate the Underwriting Agreement forthwith.

Upon the giving of notice of termination, all obligations of the Underwriter under the Underwriting Agreement shall cease and determine and neither party shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement provided that the Company shall remain liable to pay to the Underwriter the fees and expenses in accordance with the terms of the Underwriting Agreement. If the Underwriter exercises such right, the Rights Issue will not proceed.

CHEQUES OR 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. If any cheque or cashier's order lodged with this PAL is not honoured upon first presentation, this PAL is liable to be rejected, and in that event the provisional allotment and all rights given pursuant to it will be deemed to have been declined and will be cancelled. Completion and return of this PAL together with a cheque or cashier's order in payment for the Rights Shares will constitute a warranty by the subscriber that the cheque or cashier's order will be honoured on first presentation.

SHARE CERTIFICATES

It is expected that certificates for the fully-paid Rights Shares will be despatched to you by the Registrar by ordinary post at your own risk on Wednesday, 8 July 2009. You will receive one share certificate for all the Rights Shares issued to you.

EFFECT OF BAD WEATHER

If there is a "black" rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong ("Bad Weather") at any time before 12:00 noon and no longer in force after 12:00 noon on Tuesday, 30 June 2009, the latest time for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same Business Day. If there is Bad Weather in force in Hong Kong at any time between 12:00 noon and 4:00 p.m. on Tuesday, 30 June 2009, the latest time for acceptance of and payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

GENERAL

Lodgement of this PAL with, where relevant, the form of transfer and nomination purporting to have been signed by the person(s) in whose favour it has been issued shall be conclusive evidence of the title of the party or parties lodging it to deal with the same and to receive split letters of allotment and/or share certificates.

This PAL and any acceptance of the offer contained in it shall be governed by, and construed in accordance with, Hong Kong law.

Further copies of the Prospectus giving details of the Rights Issue are available from the Registrar, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong during normal business hours.

Yours faithfully,
For and on behalf of the Board of
PYI Corporation Limited
Lau Ko Yuen, Tom
Deputy Chairman and Managing Director