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Prince Frog International Holdings Limited
青蛙王子國際控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1259)

PARTIAL EXERCISE OF OVER-ALLOTMENT OPTION
STABILISATION ACTIONS
END OF STABILISATION PERIOD

The Company announces that the Over-allotment Option referred to in the Prospectus was exercised in part by the Sole Global Coordinator, CCB International Capital Limited, on behalf of the International Underwriters on 5 August 2011, in respect of an aggregate of 9,900,000 Offer Shares (**“Over-allotment Shares”**) which comprise of 8,250,000 new Shares and 1,650,000 Sale Shares, representing approximately 3.3% of the initial Offer Shares, solely for the purpose of covering over-allocations in the International Offering.

8,250,000 of the Over-allotment Shares will be issued by the Company and 1,650,000 of the Over-allotment Shares will be sold by the Selling Shareholders at HK\$2.60 per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.003%, Stock Exchange trading fee of 0.005% and stamp duty of 0.1% (where applicable)), being the Offer Price per Offer Share under the Global Offering.

The Company announces that the stabilisation period in connection with the Global Offering ended on 5 August 2011.

The stabilising actions undertaken during the stabilisation period were:

- (i) over-allocations of an aggregate of 45,000,000 Shares in the International Offering;

- (ii) the borrowing of an aggregate of 45,000,000 Shares from Prince Frog International and Jinlin Investment pursuant to the Stock Borrowing Agreement;
- (iii) market purchases of 35,100,000 Shares in the price range of HK\$2.13 to HK\$2.60 per Share during the stabilisation period; and
- (iv) the partial exercise of the Over-allotment Option by the Sole Global Coordinator, CCB International Capital Limited, on behalf of the International Underwriters on 5 August 2011 in respect of an aggregate of 9,900,000 Offer Shares.

The Company announces that the Over-allotment Option referred to in the Prospectus was exercised in part by the Sole Global Coordinator, CCB International Capital Limited, on behalf of the International Underwriters on 5 August 2011, in respect of an aggregate of 9,900,000 Offer Shares (“**Over-allotment Shares**”) which comprise of 8,250,000 new Shares and 1,650,000 Sale Shares, representing approximately 3.3% of the initial Offer Shares, solely for the purpose of covering over-allocations in the International Offering.

8,250,000 of the Over-allotment Shares will be issued by the Company and 1,650,000 of the Over-allotment Shares will be sold by the Selling Shareholders at HK\$2.60 per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.003%, Stock Exchange trading fee of 0.005% and stamp duty of 0.1% (where applicable)), being the Offer Price per Offer Share under the Global Offering.

The Company makes this announcement pursuant to Section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Cap. 571W of the Laws of Hong Kong) and announces that the stabilising period in connection with the Global Offering ended on 5 August 2011, being the 30th day after the last date for the lodging of applications under the Hong Kong Public Offering.

The stabilising actions in connection with the Global Offering that have been undertaken by CCB International Capital Limited, as the Stabilising Manager, or any person acting for it during the stabilising period were:

- (1) over-allocations of an aggregate of 45,000,000 Shares in the International Offering, representing approximately 15% of the Offer Shares initially available under the Global Offering;
- (2) the borrowing of an aggregate of 45,000,000 Shares from Prince Frog International and Jinlin Investment pursuant to the Stock Borrowing Agreement;
- (3) market purchase of a total of 35,100,000 Shares in the price range of HK\$2.13 to HK\$2.60 per Share (excluding 1% brokerage fee, 0.005% of Stock Exchange trading fee, 0.003% SFC transaction levy and stamp duty of 0.1%) during the stabilisation period; and
- (4) the partial exercise of the Over-allotment Option by the Sole Global Coordinator, CCB International Capital Limited, on behalf of the International Underwriters on 5 August 2011 in respect of an aggregate of 9,900,000 Offer Shares.

The last purchase made in the course of stabilisation period by the Stabilising Manager on the market was on 22 June 2011 at a price of HK\$2.49 per Share.

Approval for the listing of and permission to deal in the Over-allotment Shares was granted by the Listing Committee of the Hong Kong Stock Exchange. Dealings in the Over-allotment Shares shall commence on the main board of the Hong Kong Stock Exchange at 9:00am on 11 August 2011.

The shareholding structure of the Company immediately before and immediately after the issue of the Over-allotment Shares by the Company is as follows:

	Immediately before the issue of the Over-allotment Shares		Immediately after the issue of the Over-allotment Shares	
	Number of shares	Approximate percentage of the Company's issued share capital	Number of shares	Approximate percentage of the Company's issued share capital
Prince Frog International	308,386,000 (Note)	30.84%	308,386,000	30.59%
Jinlin Investment	296,292,000 (Note)	29.63%	296,292,000	29.39%
CCBIAM	70,609,000	7.06%	70,609,000	7.00%
Joyful	10,591,000	1.06%	10,591,000	1.05%
Paramount	14,122,000	1.41%	14,122,000	1.40%
Public Shareholders	300,000,000	30.00%	308,250,000	30.57%
Total	<u>1,000,000,000</u>	<u>100.00%</u>	<u>1,008,250,000</u>	<u>100.00%</u>

Note: These include the aggregate of 45,000,000 Shares borrowed by CCB International Capital Limited pursuant to the Stock Borrowing Agreement.

The net proceeds of the sale of the Over-allotment Shares is approximately HK\$20.8 million, after deducting the expenses (comprising of underwriting commission, SFC transaction levy and the Stock Exchange trading fee), and will be received by the Company. Please refer to the section "Future Plans and Use of Proceeds" in the Prospectus for information on the intended use of proceeds.

We estimate that the Selling Shareholders will receive net proceeds from the sale of the Over-allotment Shares of approximately HK\$4.2 million, after deducting the expenses (comprising of underwriting commission, SFC transaction levy, the Stock Exchange trading fee and stamp duty of 0.1%). We will not receive any of the net proceeds of the Global Offering from the sale of Shares by the Selling Shareholders.

The Company continues to comply with the public float requirements under Rule 8.08(1)(a) of the Listing Rules. No new shares or securities convertible into equity securities of the Company may be issued within six months from the Listing Date save for the situations set out in Rule 10.08 of the Listing Rules.

By order of the Board
Prince Frog International Holdings Limited
Mr. Li Zhenhui
Chairman

Hong Kong, 8 August 2011

As at the date of this announcement, the executive Directors of the Company are Mr. Li Zhenhui, Mr. Xie Jinling, Mr. Ge Xiaohua, Mr. Huang Xinwen, Ms. Hong Fang, the non-executive Director is Mr. Yang Feng and the independent non-executive Directors of the Company are Mr. Chen Shaojun, Mr. Ren Yunan and Mr. Wong Wai Ming.