
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this prospectus or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Titan Petrochemicals Group Limited (Provisional Liquidators appointed), you should at once hand the Prospectus Documents to the purchaser or the transferee, or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Subject to the granting of listing of, and permission to deal in, the Offer Shares and Warrant Shares on the Stock Exchange, the Offer Shares and Warrant Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from their respective commencement dates of dealings on the Stock Exchange or such other date 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. You should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests.

A copy of each of the Prospectus Documents, together with the other documents specified in the paragraph headed "Documents delivered to the Registrar of Companies" in Appendix III to this prospectus, has been registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. The Registrar of Companies in Hong Kong and the Securities and Futures Commission of Hong Kong take no responsibility as to the contents of any of these documents.

Hong Kong Exchanges and Clearing Limited, Hong Kong Securities Clearing Company Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this prospectus, 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 prospectus.

NOTICE TO SHAREHOLDER IN SINGAPORE

This prospectus and any other materials in connection with the Open Offer relating to Singapore have not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Company's shares may not be circulated or distributed, nor may such securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than as described below and/or otherwise pursuant to, and in accordance with the conditions of any other applicable provision of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). This prospectus has been given to you on the basis that you are an existing shareholder of the Company pursuant to Section 273(1)(cd)(i) of the SFA, exempting the Company from the requirement of a prospectus. If you do not fall under the category as mentioned above, please return this document to the Company immediately. Please do not forward or circulate this document to any other person. This offer is not made to you with a view to the Company's shares (or any of them) being subsequently offered for sale to any other party. In the event of any doubt as to your legal rights and obligations, please obtain appropriate professional advice.



Titan Petrochemicals Group Limited

(Provisional Liquidators appointed)

(Incorporated in Bermuda with limited liability)

(Stock Code: 1192)

OPEN OFFER OF 3,910,277,341 OFFER SHARES ON THE BASIS OF ONE OFFER SHARE FOR EVERY TWO EXISTING SHARES HELD ON THE RECORD DATE (WITH WARRANTS TO BE ISSUED ON THE BASIS OF ONE WARRANT FOR EVERY OFFER SHARE SUBSCRIBED FOR)

Underwriter to the Open Offer

Winford Hong Kong Investment Limited

Financial adviser to Titan Petrochemicals Group Limited

(Provisional Liquidators appointed)



Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this prospectus.

The latest time for acceptance and payment for the Offer Shares is 4:00 p.m. on Monday, 20 July 2015. The procedures for application and payment for the Offer Shares are set out on pages 32 to 33 in this prospectus. **Shareholders and potential investors of the Company should note that the Underwriting Agreement contains provisions granting the Underwriter, by notice in writing, the right to terminate the Underwriting Agreement thereunder on the occurrence of certain events. These events are set out under the section headed "Termination of the Underwriting Agreement" in this prospectus.**

The Open Offer is conditional upon, among other things, the Underwriting Agreement having become unconditional and not being terminated in accordance with its terms and conditions thereof as set out in the section headed "Termination of the Underwriting Agreement" in this prospectus. Accordingly, the Open Offer may or may not proceed. Shareholders and potential investors of the Company should therefore exercise extreme caution when dealing in the Shares and other securities of the Company, and if you are in any doubt about your position, you should consult their professional advisers.

6 July 2015

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DEFINITIONS

In this prospectus, unless the context otherwise requires, the following terms shall have the following meanings:

“2012 Senior Notes”	up to US\$400 million 8.5% fixed rate guaranteed senior notes due 18 March 2012 issued by the Company
“2015 Loan Agreement”	the loan agreement entered into between the Company and Fame Dragon on 27 February 2015 in relation to the provision of an unsecured loan of US\$10 million by Fame Dragon to the Company
“Act”	the Bermuda Companies Act 1981
“Announcement”	the announcement of the Company dated 19 May 2015 in relation to, among other things, (1) update on debt restructuring and remaining indebtedness arrangements; (2) interim financing arrangements; (3) proposed open offer; (4) subscription of shares and warrants; (5) update on business strategies and development; (6) increase in authorised share capital; (7) application for whitewash waiver; (8) special deal; and (9) appointment of independent financial adviser
“Application Form(s)”	the application form(s) to accompany this prospectus for use by the Qualifying Shareholders to apply for all or part of their assured entitlements under the Open Offer
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Assumption Agreement”	the assumption agreement dated 20 August 2014 entered into amongst Fame Dragon, the Company and TQS (as supplemented and amended on 15 September 2014, 27 February 2015 and 28 May 2015) pursuant to which Fame Dragon agrees to assume certain debts payable by TQS in consideration for the Company agreeing to allot and issue new Shares to Fame Dragon, subject to the compliance with any applicable requirements under the Listing Rules, at the issue price of HK\$0.1 per Share
“Assumption Consideration Shares”	the Shares (subject to adjustment on any consolidation or sub-division of Shares) to be issued to Fame Dragon on the Assumption Date or within five (5) years thereafter in consideration of the assumption of the indebtedness to be assumed by Fame Dragon under the Assumption Agreement
“Assumption Date”	the business day immediately following the satisfaction of the conditions precedent of the Assumption Agreement

DEFINITIONS

“Authorised Share Capital Increase”	the increase in the authorised share capital of the Company to HK\$805,550,000, divided into 80,000,000,000 ordinary shares of HK\$0.01 each and 555,000,000 convertible preferred shares of HK\$0.01 each by the creation of an additional 65,555,000,000 ordinary shares of HK\$0.01 each at the SGM
“Bermuda Court”	the Supreme Court of Bermuda
“Bermuda Proceedings”	the liquidation proceeding commenced pursuant to the winding up petition issued on 9 July 2012 by Saturn Petrochemical against the Company in Bermuda
“Board”	the board of Directors
“BVI”	British Virgin Islands
“BVI Court”	Eastern Caribbean Supreme Court in the High Court of Justice, BVI
“Bye-Laws”	the Bye-laws of the Company (as amended from time to time)
“Camden”	KTL Camden Inc., a company incorporated in the Republic of Liberia
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Circular”	the circular of the Company dated 29 May 2015 in relation to (1) update on debt restructuring and remaining indebtedness arrangements; (2) interim financing arrangements; (3) proposed open offer; (4) subscription of shares and warrants; (5) update on business strategies and development; (6) increase in authorised share capital; (7) application for whitewash waiver; (8) special deal; (9) amendment to bye-laws; and (10) notice of the SGM
“CGL Resources”	CGL Resources Ltd., a company incorporated with limited liability in Labuan, Malaysia and an indirect wholly-owned subsidiary of FEG
“CGL Resources Subscription”	the subscription by CGL Resources of 500,000,000 Shares and 500,000,000 Subscription Warrants to be issued by the Company pursuant to the CGL Resources Subscription Agreement

DEFINITIONS

“CGL Resources Subscription Agreement”	the subscription agreement dated 5 May 2014 and entered into by the Company and CGL Resources in relation to the CGL Resources Subscription which had lapsed on 31 December 2014
“Clearing Systems”	any or all of The Depositary Trust Company, Euroclear Bank, S.A./N.V. and Clearstream Banking, société anonyme as the case may be, and each of their respective nominees and successors, and any other system designed for similar or analogous purposes as appropriate
“Company”	Titan Petrochemicals Group Limited (Provisional Liquidators appointed), a company incorporated with limited liability in Bermuda whose shares are listed on the main board of the Stock Exchange (stock code: 1192)
“Companies Ordinance”	the Companies Ordinance (Cap 622) of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Creditors’ Scheme”	the scheme of arrangement under section 99 of the Act entered into between the Company and the Scheme Creditors
“DBIL”	Docile Bright Investments Limited, a company incorporated in the BVI and a wholly-owned subsidiary of GZE, it became entitled to the benefit of all interests arising under or in connection with the Listco Preferred Shares
“Debt Restructuring”	the restructuring of the indebtedness of the Company by way of the Creditors’ Scheme
“Deed of Undertaking”	the deed of undertaking dated 9 April 2014 executed by GZE in favour of FELS and all members of FELS and all of its related corporations, pursuant to which GZE, <i>inter alia</i> , provides certain undertaking and guarantees to and for the benefit of FELS and all members of FELS and all of its related corporations
“Director(s)”	director(s) of the Company from time to time
“EAF”	the excess application form for the Qualifying Shareholders to apply for additional Offer Shares in accordance with the terms of the Open Offer

DEFINITIONS

“Edinburgh”	Edinburgh Navigation S.A., a company incorporated in the Republic of Liberia
“Excluded Liability Threshold”	US\$25,000 or its equivalent in any other currency in which the relevant claim or liability arises converted at the scheme rate
“Excess Liabilities”	the amount of the total indebtedness of the Restructured Group as at 31 January 2015 exceeds the amount set forth in the indebtedness statement of the Restructured Group as at 31 January 2015 and fall within the scope of limitations listed in the auditors’ opinions on the financial statements of the Group for the year ended 31 December 2013
“Existing Notes”	collectively, (i) PIK Notes Due 2015; (ii) 2012 Senior Notes; and (iii) the Listco Convertible Notes
“Existing Notes Creditors”	persons with a beneficial interest as principal in the Existing Notes held in global form through the Clearing Systems of 17 October 2014
“Fame Dragon”	Fame Dragon International Investment Limited, the controlling Shareholder and a company incorporated in Hong Kong with limited liability which Fame Dragon has confirmed it is wholly-owned by Guangdong Zhenrong (Hong Kong) Company Limited which in turn is wholly-owned by GZE
“FEG”	Falcon Energy Group Limited, a company incorporated with limited liability in Singapore whose shares are listed on Singapore Exchange
“FELS”	FELS Offshore Pte Ltd, a company incorporated with limited liability in Singapore, a subsidiary of Keppel and the party to the Management Services Agreement
“FELS Warrants”	warrants to subscribe for 9.9% of the total issued share capital of the Company after the completion of the Restructuring to be issued by the Company pursuant to the Management Services Agreement
“FELS Warrant Shares”	the new Shares to be allotted and issued by the Company upon the exercise of the subscription rights attaching to the FELS Warrants

DEFINITIONS

“First Loan Agreement”	the loan agreement entered into between the Company and Fame Dragon on 12 March 2013 in relation to the provision of an interim financing of up to approximately HK\$62.24 million by Fame Dragon to the Company
“First Wahan Investments Subscription Agreement”	the subscription agreement dated 5 May 2014 entered into by the Company and Wahan Investments in relation to the subscription by Wahan Investments of 1,800,000,000 Shares and 1,800,000,000 Subscription Warrants to be issued by the Company. The First Wahan Investments Subscription Agreement was superseded by the Wahan Investments Subscription Agreement
“FLNG”	floating liquefied natural gas vessel
“FPSO”	floating production, storage and offloading unit
“Frontline Settlement Agreement”	the agreement dated 2 May 2014 entered into among the Company, TSL (both as obligors) and Camden, Edinburgh and Mayfair (all as creditors) (as supplemented and amended on 29 October 2014)
“FSO”	floating storage and offloading vessel
“FSRU”	floating storage and regasification unit
“FTSD”	FTS Derricks Pte. Ltd., a company incorporated in Singapore and a subsidiary of FEG
“FTSD Purchase Order Framework Agreement”	the framework agreement dated 5 May 2014 entered into between the Company and FTSD in relation to the purchase orders FTSD conditionally agreed that it will or will procure to place with TQS
“Fujian Wonderful”	福建旺得福能源有限公司 (Fujian Wonderful Energy Co., Ltd.*), a company incorporated in the PRC, an Independent Third Party
“GCL Subscription Agreement”	the subscription agreement dated 11 December 2010 and entered into between the Company and Grand China Logistics in relation to the subscription by Grand China Logistics in cash of 500 million new Shares at the issue price of HK\$0.61 per Share
“Grand China Logistics”	大新華物流控股(集團)有限公司 (Grand China Logistics Holding (Group) Company Limited*), a company incorporated under the laws of PRC with limited liability

DEFINITIONS

“Group”	the Company and its subsidiaries
“GZE”	廣東振戎能源有限公司 (Guangdong Zhenrong Energy Co., Ltd*), a company incorporated in the PRC and the controlling Shareholder
“GZE Excess Liabilities Undertaking”	the deed poll dated 5 May 2014 executed by GZE in favour of the Company (as supplemented and amended by the supplemental agreements on 27 February 2015 and 28 May 2015) pursuant to which GZE shall, subject to certain conditions and upon demand by the Company, pay to the Company (or such other person as the Company may specify) the full amount of the Excess Liabilities
“GZE Purchase Order MOU”	the memorandum of understanding dated 5 May 2014 (as supplemented and amended on 27 February 2015 and 28 May 2015) entered into between the Company and GZE in relation to the purchase order GZE conditionally agreed that it will or will procure to place with TQS
“Haixin Debt Rescheduling Agreement”	the debt rescheduling agreement dated 5 May 2014 entered into between Shengsi Haixin and GZE (as amended by supplemental agreements on 22 August 2014, 27 February 2015 and 28 May 2015) to reschedule the repayment of the Group’s indebtedness due to GZE
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Branch Registrar”	Tricor Tengis Limited, the Hong Kong branch registrar of the Company
“Hong Kong High Court”	the High Court of Hong Kong
“Independent Shareholders”	Shareholders other than (i) GZE and parties acting in concert with it (including Fame Dragon); (ii) the Scheme Creditors; (iii) the Subscribers and their respective associates; and (iv) those who are interested in, or involved in, the Shipyard Debt Rescheduling Agreement, the Shipyard Termination Agreement, the Assumption Agreement, the Listco Preferred Shares Modification Deed, the Wahan Investments Subscription Agreement, the Underwriting Agreement, the Whitewash Waiver or the Special Deal

DEFINITIONS

“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons
“Information Agent”	Lynchpin Bondholder Management of Room 402, Wellington Plaza, 56-58 Wellington Street, Central, Hong Kong
“Keppel”	Keppel Corporation Limited, a company incorporated with limited liability in Singapore and whose shares are listed on the Singapore Exchange
“K-Line”	Kawasaki Kisen Kaisha Ltd., a company incorporated in Japan
“K-Line Notes”	the guaranteed exchangeable notes due 2013, issued by TSHL and guaranteed by the Company
“K-Line Settlement Agreement”	an agreement dated 8 October 2014 and entered into by the Company, TSHL and K-Line
“K-Line Support Agreement”	the agreement dated 17 April 2014 entered into between the Company, TSHL and K-Line
“Last Acceptance Date”	Monday, 20 July 2015, being the last date for acceptance of and payment for the Offer Shares
“Last Trading Day”	18 June 2012, being the last trading day of the Shares prior to its suspension on 19 June 2012
“Latest Practicable Date”	30 June 2015, being the latest practicable date prior to the printing of this prospectus for ascertaining certain information herein
“Latest Time for Acceptance”	4:00 p.m. on Monday, 20 July 2015 or such other time or date as the Underwriter may agree in writing with the Company
“Listco Convertible Notes”	up to US\$118,575,360 guaranteed senior convertible notes due 13 July 2015 issued by the Company
“Listco Preferred Shares”	the 555,000,000 convertible redeemable preferred shares of HK\$0.01 each at the initial conversion price of HK\$0.56 issued by the Company

DEFINITIONS

“Listco Preferred Shares Modification Deed”	the deed dated 22 August 2014 entered into between the Company and DBIL, a subsidiary of GZE, (as supplemented and amended on 27 February 2015 and 28 May 2015) in relation to, among others, the extension of the redemption period of the Listco Preferred Shares
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Rescheduling Agreements”	the three loan rescheduling agreements (i) dated 24 July 2014 (as supplemented and amended on 6 May 2015), (ii) dated 21 August 2014 (as supplemented and amended on 6 May 2015) and (iii) dated 21 August 2014 (as supplemented and amended on 6 May 2015) entered into between TQS and Fujian Wonderful pursuant to which Fujian Wonderful agreed to reschedule certain bank loans of the Group assigned to it so that the first repayment date of the bank loans will be postponed until 3 years from the date of the respective Loan Rescheduling Agreement
“Management Services Agreement”	the management services agreement dated 9 April 2014 entered into among FELS, TQS and the Company (as supplemented and amended on 30 December 2014 and 28 May 2015) pursuant to which FELS has conditionally agreed to provide management services for the operations of the Quanzhou Shipyard. Details of the Management Services Agreement are set out in the announcements of the Company dated 11 April 2014 and 5 January 2015
“Mayfair”	KTL Mayfair Inc., a company incorporated in the Republic of Liberia
“Mr. Zhao”	Mr. Zhao Xu Guang, who is the chairman, the chief executive and an executive Director
“New Berkeley”	New Berkeley Corporation, a company incorporated with limited liability in the BVI and is owned as to 50% by each of Tan Pong Tyea and Cai Wenxing who are both directors and shareholders of FEG
“New Berkeley Subscription”	the subscription by New Berkeley of 800,000,000 Shares and 800,000,000 Subscription Warrants to be issued by the Company pursuant to the New Berkeley Subscription Agreement

DEFINITIONS

“New Berkeley Subscription Agreement”	the subscription agreement dated 5 May 2014 and entered into by the Company and New Berkeley in relation to the New Berkeley Subscription which had lapsed on 31 December 2014
“Non-Note Creditor”	any Scheme Creditor who is not an Existing Notes Creditor and whose claim arises in respect of non-note debt which is in excess of the Excluded Liability Threshold
“Non-Qualifying Shareholders”	Shareholders whose names appear on the register of members of the Company on the Record Date and whose addresses as shown on such register are outside Hong Kong where the Directors, based on the legal opinions to be provided by legal advisers, consider it necessary or expedient not to offer the Offer Shares to such Shareholders on account either of legal restrictions under the laws of the relevant place or requirements of the relevant regulatory body or stock exchange in that place
“Offer Shares”	the new Shares to be allotted and issued under the Open Offer
“Open Offer”	the proposed issue of the Offer Shares by way of open offer on the basis of one Offer Share for every two existing Shares held by the Qualifying Shareholders on the Record Date with issuance of the Warrants for no additional consideration to the Qualifying Shareholders who take up the Offer Shares on the basis of one Warrant for one of Offer Share taken up
“Overseas Shareholder(s)”	Shareholder(s) with registered address (as shown in the register of member of the Company on the Record Date) which is outside Hong Kong
“PBOC”	The People’s Bank of China
“Petition Date”	9 July 2012, being the date that Saturn Petrochemical presented a winding-up petition against the Company in Bermuda
“PIK Notes Due 2015”	up to US\$21,444,480 8.5% guaranteed senior payment-in-kind notes due 13 July 2015 issued by the Company
“Posting Date”	the date as agreed between the Company and the Underwriter for the despatch of the Prospectus Documents

DEFINITIONS

“PRC” or “China”	the People’s Republic of China (for the purpose of this prospectus, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan)
“Prospectus Documents”	this prospectus, the Application Form(s) and the EAF
“Provisional Liquidators”	Mr. Garth Calow and Ms. Alison Tomb, both of PricewaterhouseCoopers, the joint provisional liquidators of the Company
“Qualifying Shareholders”	Shareholders, other than the Non-Qualifying Shareholders, whose names appear on the register of members of the Company at the close of business on the Record Date
“Quanzhou Shipyard”	a multi-functional shipbuilding and ship repair yard located in Quanzhou, Fujian Province, the PRC and owned by TQS
“Record Date”	Friday, 3 July 2015, being the date by reference to which entitlements to the Open Offer has been determined
“Release Date”	Subject to Clause 7.6 of the Creditors’ Scheme, the earlier of: (i) the date on which scheme consideration is actually received by a Scheme Creditor; and (ii) the date 10 Business Days after the distribution date under the Creditors’ Scheme, provided that the relevant Scheme Creditor has not given notice to the Company in writing within that period of time (in accordance with Clause 21 of the Creditors’ Scheme) to advise that scheme consideration has not been received by that Scheme Creditor
“Remaining Indebtedness Arrangements”	the arrangements proposed to be adopted by the Company with respect to the outstanding indebtedness of the Group other than those that form part of the Scheme Claims to be restructured under the Creditors’ Scheme
“Restructured Group”	the Company and its subsidiaries that will constitute the restructured group immediately after completion of the Restructuring

DEFINITIONS

“Restructuring” or “Resumption Proposal”	the resumption proposal of the Company submitted to the Stock Exchange under the Practice Note 17 of the Listing Rules, in relation to the restructuring of the Company involving, among others, the restructuring of the debts by way of the Creditors’ Scheme and Remaining Indebtedness Arrangements, the Open Offer of new Shares and Warrants to be made by the Company to its Shareholders, the subscription by certain investors of new Shares and Subscription Warrants issued by the Company and the issue of new Shares to the Company’s controlling Shareholder to settle certain debts
“Restructuring Documents”	all documents, agreements and instruments necessary and/or desirable to implement and consummate the Restructuring in accordance with its terms, including, without limitation, the composite scheme of arrangement document setting out the terms of the Creditors’ Scheme (including the explanatory statement in respect of the Creditors’ Scheme)
“Resumption”	the resumption of trading in Shares on the Stock Exchange
“RMB”	Renminbi, the lawful currency of the PRC
“Saturn Petrochemical”	Saturn Petrochemical Holdings Limited, a company incorporated in BVI and the registered holder of the 555,000,000 Listco Preferred Shares as at the Latest Practicable Date
“Saturn Storage”	Saturn Storage Limited, a company incorporated in BVI
“Scheme Claim(s)”	all indebtedness arising out of the Existing Notes (including principal and accrued interest) and the Unsecured Claims, which shall be compromised and discharged under the Creditors’ Scheme
“Scheme Creditor(s)”	all creditor(s) of the Company bound by the Creditors’ Scheme
“Scheme Liabilities”	Any liability (other than an excluded liability under the Creditors’ Scheme) or right in respect of the indebtedness or any other liability of the Company to any person arising directly or indirectly out of, in relation to or in connection with: (a) the note documentation and/or the Existing Notes; and/or

DEFINITIONS

(b) the non-note debt which exceeds the Excluded Liability Threshold

including any claim against the Company in respect of any loss or damage suffered or incurred as a result of, or in connection with, such liability, whether arising before, at or after the Petition Date by reason of a liability of the Company incurred on or before that time, and including, for the avoidance of doubt, any and all interest, default interest, premium, principal, additional amounts, make whole amounts, fees and commissions accruing on, or payable in respect of, or any other accretions whatsoever arising in respect of, such claims or rights up to the Petition Date

“Scheme Lodgment Date” the date on which a copy of the order from the court in Bermuda sanctioning the Scheme has been lodged with the Bermuda Registrar of Companies

“Second Loan Agreement” the loan agreement entered into between the Company and Fame Dragon on 13 March 2014 in relation to the provision of an unsecured loan of HK\$62.24 million by Fame Dragon to the Company

“Settlement Date” 22 July 2015, being the second business day following the date for application and payment for the Offer Shares under the Open Offer (or such other date as the Underwriter and the Company may agree in writing)

“SFC” the Securities and Futures Commission of Hong Kong

“SFO” the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

“SGM” a special general meeting of the Company held on 22 June 2015 at 11:00 a.m. to approve, among other things, the Shipyard Debt Rescheduling Agreement, the Open Offer, the Shipyard Termination Agreement, the Share Subscription Agreements (including the issue of the Subscription Warrants, the Subscription Shares and/or the Warrant Shares), the Assumption Agreement, the Listco Preferred Shares Modification Deed, the Whitewash Waiver, the Special Deal, Authorised Share Capital Increase and the specific mandate to issue Shares and the amendments to the Bye-Laws

DEFINITIONS

“Share(s)”	ordinary shares of nominal value HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares in issue
“Share Options”	the share options granted under share option scheme adopted by the Company dated 31 May 2002 (as amended on 24 June 2010)
“Share Subscription Agreements”	collectively, the Wahan Investments Subscription Agreement and the Victory Stand Subscription Agreement
“Share Subscriptions”	the Wahan Investments Subscription and the Victory Stand Subscription
“Shengsi Haixin”	嵊泗海鑫石油有限公司 (Shengsi Haixin Petroleum Co., Ltd*) a company incorporated with limited liability in the PRC and an indirect wholly-owned subsidiary of the Company
“Shipyard Debt Rescheduling Agreement”	the debt rescheduling agreement dated 5 May 2014 entered into between TQS and GZE (as amended and supplemented on 22 August 2014, 27 February 2015 and 28 May 2015) to reschedule the repayment of the Group’s indebtedness due to GZE
“Shipyard Sale and Purchase Agreement”	the sale and purchase agreement dated 11 December 2010 and entered into among TPFL, TQSL Holding and Grand China Logistics (as amended by supplemental agreements) in relation to the sale by TPFL and TQSL Holding of, in aggregate, a 95% equity interest in TQS to Grand China Logistics
“Shipyard Termination Agreement”	the agreement dated 5 May 2014 and entered into among GZE, the Company, TQSL Holding and TPFL (as supplemented and amended by the supplemental agreement on 27 February 2015 and 28 May 2015) in relation to, among other things, the termination of the Shipyard Sale and Purchase Agreement
“Shipyard Termination Shares”	9,382,164,000 Shares to be issued to GZE at the issue price of HK\$0.10 in lieu of repayment of RMB 740 million under the Shipyard Termination Agreement
“Singapore”	the Republic of Singapore
“Singapore Exchange”	Singapore Exchange Securities Trading Limited

DEFINITIONS

“Special Deal”	the repayment of the outstanding indebtedness of the Group to the Scheme Creditors (among which Morgan Stanley & Co. International Plc, Mill Reef Investment S.A. and Mr. Ni Song Hua are existing Shareholders) out of the proceeds from the Open Offer and Share Subscriptions, which constitutes a special deal under Note 5 to Rule 25 of the Takeovers Code
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	collectively, Wahan Investments and Victory Stand
“Subscription Shares”	the new Shares to be subscribed for by the Subscribers pursuant to the Share Subscriptions
“Subscription Warrant”	the 3,100,000,000 warrants to be issued by the Company under the Share Subscriptions, conferring the rights to subscribe for Shares at the exercise price of HK\$0.12 per Share. Each one (1) Subscription Warrant carries the right to subscribe (1) Subscription Warrant Share
“Subscription Warrant Shares”	the new Shares to be allotted and issued by the Company upon the exercise of the subscription rights attaching to the Subscription Warrants
“Supplemental Second Loan Agreement”	the agreement entered into between the Company and Fame Dragon on 10 July 2014 to amend and supplement certain terms of the Second Loan Agreement
“Suspension”	the suspension of trading of the Shares on the Stock Exchange since 19 June 2012
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“TGIL”	Titan Group Investment Limited (in liquidation), a company incorporated with limited liability in the BVI and was a former jointly-controlled entity of the Company
“TGIL Convertible Notes”	the convertible unsecured notes due 2014 issued by TGIL pursuant to the option agreement dated 14 July 2009 and entered into between the Company, TOSIL, Saturn Storage and TGIL
“TGIL Preferred Shares”	the convertible redeemable preferred shares issued by TGIL on 22 June 2007 convertible into the shares of TGIL

DEFINITIONS

“Titan Petrochemical (Guangzhou)”	廣州泰山石化有限公司 (Guangzhou Titan Petrochemical Co., Ltd.*), a company incorporated with limited liability in the PRC and an indirect wholly-owned subsidiary of the Company
“TOSIL”	Titan Oil Storage Investment Limited, a company incorporated with limited liability in the BVI and a direct wholly-owned subsidiary of the Company
“TPFL”	泰山石化(福建)有限公司 (Titan Petrochemicals (Fujian) Ltd*), a company incorporated with limited liability in the PRC and a direct wholly-owned subsidiary of the Company
“TPG Debt Rescheduling Agreement”	the debt rescheduling agreement dated 5 May 2014 (as amended by supplemental agreements dated 22 August 2014, 27 February 2015 and 28 May 2015) and entered into among Titan Petrochemical (Guangzhou), TQS and GZE to reschedule the repayment of the Group’s indebtedness due to GZE
“TQS”	泉州船舶工業有限公司 (Titan Quanzhou Shipyard Co. Ltd.), a sino-foreign equity joint venture established in the PRC and an indirect wholly-owned subsidiary of the Company
“TQSL Holding”	Titan TQSL Holding Company Limited, a company incorporated with limited liability in the BVI and an indirect wholly-owned subsidiary of the Company
“TRML”	Titan Resources Management Limited, a company incorporated with limited liability in the BVI and an indirect wholly-owned subsidiary of the Company
“TSHL”	Titan Shipyard Holdings Limited, a company incorporated with limited liability in the BVI and a direct wholly-owned subsidiary of the Company
“TSL”	Titan Storage Limited, a company incorporated in the BVI and a former subsidiary of the Company which has been put into liquidation and deconsolidated in April 2014
“TSL Creditors”	collectively Camden, Edinburgh and Mayfair
“Transfer Agent”	Tricor Tengis Limited, the transfer agent of the Company for the Warrants

DEFINITIONS

“Underwriting Agreement”	the underwriting agreement dated 5 May 2014 entered into between the Company and Fame Dragon (as supplemented and amended by the supplemental agreements dated 27 February 2015 and 28 May 2015) in relation to the underwriting of the Open Offer
“Underwriter”	Winford Hong Kong Investment Limited, a wholly-owned subsidiary of Fame Dragon
“Unsecured Claim”	any non-note debt owed by the Company to a Scheme Creditor exceeding the Excluded Liabilities Threshold
“Unsecured Creditors”	persons with an Unsecured Claim at 17 October 2014
“US\$”	United States dollars, the lawful currency of the United States of America
“Victory Stand”	Victory Stand Limited, a company incorporated in Samoa
“Victory Stand Subscription”	the subscription by Victory Stand of 1,300,000,000 Shares and 1,300,000,000 Subscription Warrants to be issued by the Company pursuant to the Victory Stand Subscription Agreement
“Victory Stand Subscription Agreement”	the subscription agreement dated 27 March 2015 entered into by the Company and Victory Stand in relation to the Victory Stand Subscription
“Wahen Investments”	Wahen Investments Limited, a company incorporated with limited liability in the BVI and is wholly-owned by Mr. Zhao
“Wahen Investments Subscription”	the subscription by Wahen Investments of 1,800,000,000 Shares and 1,800,000,000 Subscription Warrants to be issued by the Company pursuant to the Wahen Investments Subscription Agreement
“Wahen Investments Subscription Agreement”	the subscription agreement dated 6 May 2015 entered into by the Company and Wahen Investments in relation to the Wahen Investments Subscription
“Warrants”	the 3,910,277,341 warrants to be issued by the Company under the Open Offer, conferring the rights to subscribe for Shares at the exercise price of HK\$0.12 per Share. Each one (1) Warrant carries the right to subscribe for one (1) Warrant Share

DEFINITIONS

“Warrant Shares”	the new Shares to be allotted and issued by the Company upon the exercise of the subscription rights attaching to the Warrants
“Whitewash Waiver”	a waiver in respect of the obligation of GZE and Fame Dragon to make a mandatory offer to other holders of the Shares in respect of those Shares as a result of the underwriting of the Offer Shares under the Underwriting Agreement by the Underwriter, the subscription of a maximum of 2,282,024,653 Shares under the Assumption Agreement by Fame Dragon, the subscription of 9,382,164,000 Shares under Shipyard Termination Agreement by GZE upon the resumption of trading of the Shares on the Stock Exchange, in accordance with Note 1 on dispensations from Rule 26 of the Takeovers Code
“Working Capital Loan Agreement”	the loan agreement dated 22 August 2014 entered into between TQS and GZE (as supplemented and amended by supplemental agreements on 27 February 2015 and 28 May 2015) in relation to the provision of the loan of not less than RMB60 million by GZE to TQS for its working capital
“%”	per cent

* for identification purpose only

Unless the content states otherwise, conversion of RMB into HK\$ is calculated at the approximate exchange rate of RMB1 to HK\$1.26786 and conversion of US\$ into HK\$ is calculated at the approximately exchange rate of US\$1 to HK\$7.8.

Certain amounts and percentage figures included in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

EXPECTED TIMETABLE

The expected timetable for the Open Offer set out below is for indicative purposes only and has been prepared on the assumption that all the conditions of the Open Offer will be fulfilled. The expected timetable is subject to change, and any changes will be announced in a separate announcement by the Company as and when appropriate.

2015

Latest time for acceptance of and payment for Offer Shares and excess Offer Shares	4:00 p.m. on Monday, 20 July
Latest time for termination of the Underwriting Agreement	4:00 p.m. on Wednesday, 22 July
Announcement of results of the Open Offer and excess application	Monday, 27 July
Despatch of certificates for Offer Shares and Warrants and refund cheques in respect of wholly or partially unsuccessful applications for excess Offer Shares	Tuesday, 28 July
If the Open Offer is terminated, refund cheques on or before	Tuesday, 28 July
Resumption of trading in the Shares and dealings in Offer Shares commence	9:00 a.m. on Wednesday, 29 July

Note: All references to time in this document are reference to Hong Kong time.

Effect of bad weather on the latest time for acceptance of and payment for the Open Offer

If there is a tropical cyclone warning signal number 8 or above, or a “black” rainstorm warning:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the latest date for acceptance of the Offer Shares and/or, as the case may be, the Last Acceptance Date, the latest time for the acceptance of and payment for the Offer Shares will not take place at 4:00 p.m., but will be extended to 5:00 p.m. on the same day instead;
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the latest date for acceptance of the Offer Shares and/or, as the case may be, the Last Acceptance Date, the latest time for the acceptance of and payment for the Offer 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.

If the latest time for acceptance of and payment for the Offer Shares does not take place on the Last Acceptance Date, the dates mentioned in the section headed “Expected Timetable” in this prospectus may be affected. Any changes to the anticipated timetable will be announced as and when appropriate.

TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriter may terminate the Underwriting Agreement by notice in writing issued to the Company at any time prior to 4:00 p.m. on the Settlement Date under any of the following circumstances:

- (i) the powers and/or duties of the Provisional Liquidators of the Company appointed by the Bermuda Court on 18 October 2013 (Bermuda time) as set forth in an order of the Bermuda Court dated 14 February 2014 are materially extended or amended by the Bermuda Court;
- (ii) the making of an order to wind up of the Company;
- (iii) there is any breach of any of the warranties made by the Company in any material respect which has come to the knowledge of Fame Dragon or any event which has occurred or any matter which has arisen on or after the date of the Underwriting Agreement which if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of such warranties untrue, inaccurate or misleading in any material respect; or
- (iv) there is material adverse change in the financial position, business, property or operations of any member of the Group compared to that as at the date of the Underwriting Agreement.

Upon the giving of notice to terminate the Underwriting Agreement, all obligations of the Underwriter under the Underwriting Agreement shall cease and determine and none of the parties to the Underwriting Agreement shall have any claim against the other parties in respect of any matter or thing arising out of or in connection with the Underwriting Agreement.

LETTER FROM THE BOARD



Titan Petrochemicals Group Limited

(Provisional Liquidators appointed)

(Incorporated in Bermuda with limited liability)

(Stock Code: 1192)

Executive Directors:

Mr. Zhao Xu Guang (*Chairman and Chief Executive*)

Mr. Tang Chao Zhang

Mr. Wong Siu Hung Patrick

Mr. Fu Yong Yuan

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Non-executive Directors:

Mr. Fan Qinghua

Mr. Hu Zhong Shan

*Principal place of business
in Hong Kong:*

4902 Sun Hung Kai Centre

30 Harbour Road

Wanchai

Hong Kong

Independent non-executive Directors:

Mr. Foo Meng Kee

Mr. Lau Fai Lawrence

Mr. Lau Yiu Kit

6 July 2015

*To the Qualifying Shareholders and,
for information only, the Non-Qualifying Shareholders*

Dear Sir or Madam,

**OPEN OFFER OF 3,910,277,341 OFFER SHARES
ON THE BASIS OF ONE OFFER SHARE
FOR EVERY TWO EXISTING SHARES
HELD ON THE RECORD DATE
(WITH WARRANTS TO BE ISSUED ON THE BASIS OF
ONE WARRANT FOR EVERY OFFER SHARE SUBSCRIBED FOR)**

INTRODUCTION

Reference is made to the Announcement and the Circular in relation to, among other things, (i) the update on the debt restructuring and the remaining indebtedness arrangements; (ii) interim financing arrangements; (iii) proposed open offer; (iv) subscription of shares and warrants; (v) update on business strategies and development; (vi) increase in authorised share capital; (vii) application for whitewash waiver; (viii) special deal; and (ix) amendment to bye-laws.

LETTER FROM THE BOARD

The Company proposed to put forward the Open Offer on the basis of one Offer Share for every two existing Shares held by the Qualifying Shareholders on the Record Date with issuance of the Warrants for no additional consideration to the Qualifying Shareholders who take up the Offer Shares on the basis of one Warrant for every one Offer Share taken up, provided always that if the Company considers that it would no longer satisfy the minimum public shareholding (i.e. 25% public float) requirement under Rule 8.08 of the Listing Rules immediately following an exercise of the subscription right under any Warrants, such exercise shall be postponed until such time as the Company is satisfied that such exercise will not result in any non-compliance of Rule 8.08 of the Listing Rules.

As the Open Offer will increase the issued share capital of the Company by more than 50% within the twelve-month period immediately preceding the date of the Announcement, the Open Offer is subject to the approval of the Independent Shareholders in accordance with the requirements under the Listing Rules.

On 22 June 2015, the Open Offer was approved by the Independent Shareholders by way of poll at the SGM. GZE, Fame Dragon, Morgan Stanley & Co. International Plc, Mill Reef Investment S.A. and Mr. Ni Song Hua have abstained from voting on the resolutions approving the Open Offer and the special mandate to issue, among others, the Offer Shares and Warrant Shares at the SGM.

The purpose of this prospectus is to provide you with further information regarding the Open Offer, including information on procedures for application and payment and certain financial information and other information in respect of the Group.

THE OPEN OFFER

Issue statistics

Basis of the Open Offer	One Offer Share for every two existing Shares held on the Record Date with the issuance of the Warrants on the same terms as Subscription Warrants being offered to the Subscribers for no additional consideration to the Qualifying Shareholders who take up the Offer Shares on the basis of one Warrant for every one Offer Share taken up
Subscription price	HK\$0.1 per Share
Number of Shares in issue	7,820,554,682 Shares
Number of Offer Shares	3,910,277,341 Offer Shares
Underwriting arrangement	Fully underwritten by the Underwriter whose ordinary business does not include underwriting

LETTER FROM THE BOARD

As at the Latest Practicable Date, save for the (i) outstanding Share Options entitling the holders thereof to subscribe for a total of 20,140,000 Shares; (ii) 555,000,000 outstanding Listco Preferred Shares entitling the holder thereof to convert those shares into 555,000,000 Shares based on the conversion ratio of 1:1; and (iii) the Listco Convertible Notes in the outstanding principal amount of US\$47,960,000 entitling holders thereof to convert those notes in 523,483,348 Shares based on the conversion rate of 10,915 Shares per US\$1,000, the Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

Pursuant to the Listco Preferred Shares Modification Deed, DBIL and the Company have agreed that, among other things, no conversion of the Listco Preferred Shares shall occur until the date falling six months after the date on which trading in Shares have resumed on the Stock Exchange provided always that if the Company considers that it would no longer satisfy minimum public shareholding requirement under Rule 8.08 of the Listing Rules immediately following a conversion of the Listco Preferred Shares, such conversion shall be postponed until such time as the Company is satisfied that such conversion will not result in any non-compliance of Rule 8.08 of the Listing Rules.

The Listco Convertible Notes will be compromised under the Creditors' Scheme.

As at the Latest Practicable Date, the Board had not received any information from any substantial Shareholders (as defined under the Listing Rules) of their intention to take up the Offer Shares to be provisionally allotted or offered to them under the Open Offer.

Principal terms of the Warrants under the Open Offer

Exercise price: HK\$0.12 per Warrant Share.

Number of Warrant to be issued under the Open Offer: 3,910,277,341

Adjustment to the exercise price: The exercise price of the Warrants is subject to adjustment in the event of, among others:

- (a) consolidation, subdivision or reclassification of Shares;
- (b) capitalisation of profits or reserves;
- (c) dividend or distributions;
- (d) rights issue of other securities; and
- (e) other offers to Shareholders,

LETTER FROM THE BOARD

provided that no adjustment will be made to the exercise price when Shares or other securities (including rights or options) are issued, offered or granted (i) to employees (including Directors) of the Company or any subsidiary of the Company pursuant to any employee share scheme (and which employee share scheme is in compliance with the Listing Rules or, if applicable, those of an alternative stock exchange on which the Shares are listed); (ii) pursuant to the Debt Restructuring and the transactions contemplated under the Resumption Proposal including but not limited to, the Open Offer, the Share Subscriptions, the Shipyard Termination Agreement and the Assumption Agreement; (iii) pursuant to the conversion of any Listco Preferred Shares; or (iv) pursuant to the exercise of any Warrants, Subscription Warrants and FELS Warrants.

Exercise period:	Not earlier than the commencement of the third year but not later than the end of the third year after the issue of the Warrants (the “Exercise Period”).
Application for listing:	No listing of the Warrants will be sought on the Stock Exchange or other stock exchange.
Conversion:	Each one (1) Warrant carries the right to subscribe for one (1) Warrant Share.

LETTER FROM THE BOARD

Transferability:

The Warrants to be issued to the Qualifying Shareholders under the Open Offer are not transferable, except for transfer or transmission in the circumstances set out in sub-paragraphs (a) and (b) below.

- (a) In cases where the holder of the Warrants acts as a nominee of its beneficial owner(s) in holding interest in the Warrants, the subscription rights shall be allowed for a one-off transfer from such nominee to its beneficial owner(s) by instrument of transfer (in any usual or common form or such other form as may be approved by the Directors) during the period from the date of issue to the end of the Exercise Period.
- (b) If a holder of the Warrants dies, the survivor or survivors where the deceased was a joint holder, and his legal representatives where he was a sole or only surviving holder, will be the only person(s) recognised by the Company as having any title to interest of the holder of the Warrants in the Warrants. Subject to any applicable laws or regulations, any person becoming entitled to the Warrants in consequence of the death of a holder of the Warrants may, upon such evidence as to his title being produced as may be required by the Board, elect either to become the holder of the Warrants or to nominate his nominee or the estate executor to be registered as the transferee thereof. If he elects to become the holder he shall notify the Company in writing either at the principal place of business of the Company in Hong Kong to that effect. If he elects to have the relevant nominee registered he shall execute an instrument of transfer (in any usual or common form or such other form as may be approved by the Directors) of the Warrants in favour of that person during the period from the date of issue to the end of the Exercise Period.

The Transfer Agent is appointed as the transfer agent to handle the transfer of the Warrants. The register of the Warrants will be kept at the specified office of the Hong Kong Branch Registrar (the “Specified Office”). The Hong Kong Branch Registrar will handle the registration of the Warrants and update the register of the Warrants to reflect any transfer of Warrants in the Specified Office.

LETTER FROM THE BOARD

Rights to vote or dividend: Holders of the Warrants will not have the right to vote or to consent or to receive notice as Shareholders in respect of any meeting of Shareholders, or to receive dividends.

Public float restriction: If the Company considers that it would no longer satisfy the minimum public shareholding (i.e. 25% public float) requirement under Rule 8.08 of the Listing Rules immediately following an exercise of the subscription right under any Warrants, such exercise shall be postponed until such time as the Company is satisfied that such exercise will not result in any non-compliance of Rule 8.08 of the Listing Rules.

Winding up: If an effective resolution is passed for the voluntary winding up of the Company and if such winding up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the holders of the Warrants, or some person designated by them for such purpose by special resolution, will be a party or in conjunction with which a proposal is made to the holders of the Warrants and is approved by special resolution, the terms of such scheme of arrangement or (as the case may be) proposal will be binding on all the holders of the Warrants.

In the event a notice is given by the Company to its shareholders to convene a shareholders' meeting for the purpose of considering, and if thought fit, resolving to approve the voluntarily winding-up of the Company, the Company shall forthwith give notice thereof to each holder of the Warrants and thereupon, every holder of the Warrants (or, in the case of joint holders, the holder whose name stands first in the register in respect of the Warrant held by such holders) shall be entitled by irrevocable surrender of his Warrant certificate(s) to the registrar with the subscription form(s) duly completed, together with payment of the exercise moneys (or the relative portion thereto), to exercise the subscription rights represented by such Warrants whereupon the Company shall deliver the Shares to the holder of the Warrants no later than the day immediately prior to the date of the proposed shareholders' meeting and shall procure that the holder of the Warrants be registered as a member of the Company in time for it to be able to attend and vote at such shareholders' meeting.

LETTER FROM THE BOARD

Subject to the foregoing, if the Company is wound up, all subscription rights which have not been exercised at the date of the passing of such resolution shall lapse and Warrant certificates shall cease to be valid for any purpose.

Offer Price and the exercise price of Warrants

The Offer Price of HK\$0.1 represents (i) a discount of approximately 59.35% to the closing price of HK\$0.246 per Share as quoted on the Stock Exchange on the Last Trading Day; and (ii) a premium of approximately HK\$0.59 over the audited net liability value per Share as at 31 December 2014.

The exercise price of HK\$0.12 per Warrant Share represents (i) a discount of approximately 51.22% to the closing price of HK\$0.246 per Share on the Last Trading Day; and (ii) a premium of approximately HK\$0.61 over the audited net liability value per Share as at 31 December 2014.

Conditions of the Open Offer

The consummation of the Open Offer is conditional upon (i) the Underwriting Agreement having become unconditional and not being terminated in accordance with the terms and conditions of the Underwriting Agreement (The conditions of the Underwriting Agreement are set out in the paragraph headed “Underwriting arrangement – Conditions of the Underwriting Agreement” below); and (ii) the approval by the Independent Shareholders at the SGM.

If the conditions of the Underwriting Agreement are not fulfilled, the Open Offer will not proceed.

Qualifying Shareholders

The Open Offer is only available to the Qualifying Shareholders. The Company will send (i) the Prospectus Documents to the Qualifying Shareholders; and (ii) if and to the extent legally and practically permissible, this prospectus, for information purposes only, to the Non-Qualifying Shareholders.

To qualify for the Open Offer, a Shareholder must, at the close of business on the Record Date:

- (i) be registered as a member of the Company on the register of members of the Company; and
- (ii) not be Non-Qualifying Shareholder.

The invitation to apply for the Offer Shares is not transferable or capable of renunciation and there will not be any trading of entitlements to apply for Offer Shares on the Stock Exchange.

LETTER FROM THE BOARD

Rights of Overseas Shareholders

The Prospectus Documents will not be registered or filed under the applicable securities or equivalent legislation of any jurisdiction other than Hong Kong.

Based on the register of members of the Company as at the Latest Practicable Date, there were 2 Overseas Shareholders with addresses in Singapore and the United Kingdom. The Company has made enquiry with its overseas legal advisers on the laws of United Kingdom and Singapore regarding the legal restrictions under the laws of the relevant jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges for the Company to offer the Offer Shares and excess Offer Shares to such Overseas Shareholders in accordance with Rule 13.36(2)(a) of the Listing Rules.

The Company has been advised that the Company would be exempt from obtaining approval from, and/or registration of the Prospectus Documents with, the relevant regulatory authorities under the applicable laws and regulations of the relevant jurisdictions since the Company would meet the relevant requirements for exemption under the relevant jurisdictions. Therefore, the Directors have decided to extend the Open Offer to such Overseas Shareholders with registered addresses in the United Kingdom and Singapore.

It is the responsibility of any person (including but without limitation to nominee, agent and trustee) receiving the Prospectus Documents outside Hong Kong and wishing to take up the Offer Shares under the Open Offer to satisfy himself/herself/itself as to the full observance of the laws of the relevant territory or jurisdiction, including obtaining any governmental or other consents or observing any other formalities which may be required in such territory or jurisdiction, and to pay any taxes, duties and other amounts required to be paid in such territory or jurisdiction in connection with taking up any Offer Shares. Any acceptance of the Offer Shares by any person will be deemed to constitute a representation and warranty from such person to the Company that those local laws and requirements of the relevant territory or jurisdiction have been fully complied with. HKSCC Nominees Limited, who take up the Offer Shares on behalf of the CCASS participants, is not subject to the above representations and warranty. If you are in any doubt as to your position, you should consult your professional advisers.

Certificates and refund cheques for the Offer Shares and Warrants

Subject to the Open Offer becoming unconditional, certificates for all fully-paid Offer Shares and Warrants shall be despatched by ordinary post to those Qualifying Shareholders who have accepted and paid for their Offer Shares, at their own risk. Refund cheques in respect of wholly or partially unsuccessful applications for Offer Shares in excess of assured allotments and in respect of the Offer Shares if the Open Offer is terminated shall be despatched by ordinary post to the applicants at their own risk.

LETTER FROM THE BOARD

Status of the Offer Shares and Warrant Shares

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

The Warrant Shares shall, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares in issue on the date of allotment and issue of the Warrant Shares. The Warrant Shares, when issued, are freely transferrable and are not subject to any lock-up period.

Application for listing

The Company has applied to the Stock Exchange for the listing of, and permission to deal in the Offer Shares and Warrant Shares. Subject to the granting of the listing of, and permission to deal in the Offer Shares and Warrant Shares on the Stock Exchange, the Offer Shares and Warrant Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from their respective the commencement dates of dealings on the Stock Exchange or such other date 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 settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Dealings in the Offer Shares and Warrant Shares may be settled through CCASS.

No listing of the Warrants will be sought on the Stock Exchange or other stock exchange.

The first day of dealings in the Offer Shares is expected to commence on Wednesday, 29 July 2015.

Dealings in Offer Shares on the Stock Exchange will be subject to the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy and other applicable fees and charges in Hong Kong.

The Offer Shares and Warrant Shares will have the same board lot size of 20,000 Shares per board lot.

Fractions of the Offer Shares

Fraction of Offer Shares will not be allotted to the Qualifying Shareholders and fractional entitlements will be rounded down to the nearest whole number of the Offer Shares. Any Offer Shares created from the aggregation of fractions of the Offer Shares will be available for excess application by the Qualifying Shareholders. Should there be no excess application by the Qualifying Shareholders, those Offer Shares created from the aggregation of fractions of the Offer Shares will be taken up by the Underwriter.

LETTER FROM THE BOARD

Application for excess Offer Shares

It is expected that any Offer Shares (i) not validly applied for by any Qualifying Shareholders under the Open Offer; (ii) to which the Non-Qualifying Shareholders would otherwise have been entitled; and (iii) created by aggregating any fractional assured entitlements, will be made available for excess and equitable applications by the Qualifying Shareholders and such Offer Shares will be allocated on a fair and equitable basis.

Qualifying Shareholders will have the right to apply for any Offer Shares in excess of their own assured entitlements under the Application Forms but are not assured of being issued any Offer Shares in excess of those in their assured entitlements.

Underwriting arrangement

Underwriting Agreement

Date	5 May 2014
Underwriter	Fame Dragon or its wholly-owned subsidiary (as confirmed by Fame Dragon subsequent to the entering into of the Underwriting Agreement, its wholly-owned subsidiary, namely Winford Hong Kong Investment Limited, is the Underwriter of the Open Offer)
Underwriting arrangement	Fully underwritten by Fame Dragon or its wholly-owned subsidiary
Commission	Nil

Pursuant to the Underwriting Agreement, the Underwriter has conditionally agreed to underwrite the Open Offer subject to the terms and conditions set out in the Underwriting Agreement and, in particular, the fulfilment of the conditions contained therein. Fame Dragon, which holds the voting rights of a total of 3,556,353,661 Shares (representing approximately 45.5% of the total Shares in issue as at the Latest Practicable Date) and through DBIL (a wholly-owned subsidiary of GZE) holding of the benefit of all interests arising under or in connection to the Listco Preferred Shares, is an investment holding company whose ordinary business does not include underwriting.

As the Underwriter will not be charging any underwriting fee or commission, the Directors consider that the underwriting arrangement under the Underwriting Agreement would be beneficial to the Company and would allow the Company to reduce the costs and expenses in conducting the Open Offer which the Company would otherwise have to incur if a registered brokerage firm or an investment bank was to be appointed as the underwriter.

LETTER FROM THE BOARD

Conditions of the Underwriting Agreement

The obligations of the Underwriter under the Underwriting Agreement are conditional on the following conditions:

- (a) (if required under the Companies (Winding up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong)) the delivery to the Stock Exchange and registration with the Registrar of Companies in Hong Kong, respectively, on or prior to the Posting Date and (if required under the Companies Act of 1981 of Bermuda) the registration by the Registrar of Companies in Bermuda prior to or as soon as practicable after the Posting Date of the Prospectus Documents (and all other documents required to be filed or delivered for registration);
- (b) the posting on the Posting Date of copies of the Prospectus Documents to the Qualifying Shareholders and the Prospectus Documents to the Non-Qualifying Shareholders;
- (c) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Offer Shares either unconditionally or subject to conditions which the Company accepts and the satisfaction of such conditions (if any and where relevant) by no later than the Posting Date and the Listing Committee of the Stock Exchange not having withdrawn or revoked such listings and permission on or before 4:00 p.m. on the Settlement Date;
- (d) the Stock Exchange having unconditionally or conditionally approved the resumption of trading of the Shares based on the resumption proposal submitted to the Stock Exchange (as may be supplemented or amended from time to time);
- (e) the proposal for the Debt Restructuring having been approved by the Bermuda Court and such other courts and/or analogous sanction and/or recognition in any other jurisdiction, as the Company may determine to be necessary, of the proposal for the Debt Restructuring having been obtained together with all consents, approvals, sanctions and filing of documents necessary, for the purpose of making the proposal for the Debt Restructuring effective, having been obtained and done in accordance with the applicable law;
- (f) all consents and approvals necessary in connection with the transaction contemplated in the Underwriting Agreement having been obtained and all applicable requirements under the Listing Rules and those requirements imposed under applicable laws and regulations or by the Stock Exchange, the SFC and/or the Bermuda Court in relation to the Underwriting Agreement and the transactions contemplated thereunder, including without limitation the approval by the Independent Shareholders of the Whitewash Waiver and the Special Deal and the grant of the Whitewash Waiver and the Special Deal consent by the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director, having been complied with; and

LETTER FROM THE BOARD

- (g) each condition precedent (or such other condition) required to be satisfied pursuant to the terms of each other document in relation to the Creditors' Scheme and the Resumption Proposal (other than that all the conditions precedent of the Underwriting Agreement having been fulfilled or waived) having been satisfied or waived for the purpose of making each document in relation to the Creditors' Scheme and the Resumption Proposal effective in accordance with its terms.

None of the conditions set out above can be waived. As at the Latest Practicable Date, the conditions (d) and (e) set out above have been satisfied. In the event that the conditions as set out above have not been satisfied on or before 31 July 2015 (or such later date as the parties thereto may agree in writing), any parties to the Underwriting Agreement may terminate the Underwriting Agreement by giving each other party not less than 30 days' written notice and, upon the termination of the Underwriting Agreement, all the obligations of the parties thereto shall cease and determine and none of the parties thereto 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.

Termination and Force Majeure of the Underwriting Agreement

The Underwriter may terminate the Underwriting Agreement by notice in writing issued to the Company at any time prior to the Latest Time for Termination on the Settlement Date under any of the following circumstances:

- (i) the powers and/or duties of the Provisional Liquidators of the Company appointed by the Bermuda Court on 18 October 2013 (Bermuda time) as set forth in an order of the Bermuda Court dated 14 February 2014 are materially extended or amended by the Bermuda Court;
- (ii) the making of an order to wind up of the Company;
- (iii) there is any breach of any of the warranties made by the Company in any material respect which has come to the knowledge of Fame Dragon or any event which has occurred or any matter which has arisen on or after the date of the Underwriting Agreement which if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of such warranties untrue, inaccurate or misleading in any material respect; or
- (iv) there is material adverse change in the financial position, business, property or operations of any member of the Group compared to that as at the date of the Underwriting Agreement.

Upon the giving of notice to terminate the Underwriting Agreement, all obligations of the Underwriter under the Underwriting Agreement shall cease and determine and none of the parties to the Underwriting Agreement shall have any claim against the other parties in respect of any matter or thing arising out of or in connection with the Underwriting Agreement.

LETTER FROM THE BOARD

THE PROCEDURES FOR APPLICATION AND PAYMENT

Application for Offer Shares

The Application Form is enclosed with this prospectus which entitles the Qualifying Shareholders to whom it is addressed to apply for the number of Offer Shares on an assured basis as shown therein subject to payment in full no later than the Latest Time for Acceptance. Qualifying Shareholders should note that they may apply for any number of Offer Shares assured only up to the number set out in the Application Form.

If Qualifying Shareholders wish to apply for all the Offer Shares offered to them as specified in the Application Form or wish to apply for any number less than their assured entitlement under the Open Offer, they must complete, sign and lodge the Application Form in accordance with the instructions printed thereon, together with remittance for the full amount payable in respect of such number of Offer Shares they have applied with the Hong Kong Branch Registrar at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong by no later than 4:00 p.m. on Monday, 20 July 2015. All remittance(s) must be made by cheque or cashier's order in Hong Kong dollars and 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 "Titan Petrochemicals Group Limited – Open Offer Account" and crossed "Account Payee Only".

It should be noted that unless the duly completed and signed Application Form, together with the appropriate remittance, have been lodged with Hong Kong Branch Registrar, by no later than 4:00 p.m. on Monday, 20 July 2015, the assured entitlement under the Open Offer and all rights in relation thereto shall be deemed to have been declined and will be cancelled.

Application for Offer Shares in excess of assured allotments

The Offer Shares (i) which are not validly applied for by any Qualifying Shareholders under the Open Offer; (ii) to which the Non-Qualifying Shareholders would otherwise have been entitled; and (iii) created by aggregating any fractional assured entitlements, will be made available for excess application by Qualifying Shareholders. Qualifying Shareholders will have the right to apply for any Offer Shares in excess of their own assured allotments under the Application Forms but are not assured of being allocated any Shares in excess of those in their assured allotments.

Application for excess Offer Shares should be made by completing the EAF(s) enclosed with this prospectus for excess Offer Shares and lodging the same in accordance with the instructions printed thereon with a separate remittance for the full amount payable in respect of the number of excess Offer Shares being applied for, with the Hong Kong Branch Registrar at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, by no later than 4:00 p.m. on Monday, 20 July 2015. All remittances must be made by cheque or cashier's order in Hong Kong dollars and 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 "Titan Petrochemicals Group Limited – Excess Application Account" and crossed "Account Payee Only".

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It should be noted that unless the duly completed and signed EAF, together with the appropriate remittance, have been lodged with the Hong Kong Branch Registrar by no later than 4:00 p.m. on Monday, 20 July 2015, the EAF is liable to be rejected. It should also be noted that the lodging of the EAF does not assure the Qualifying Shareholders of being allocated any Offer Shares in excess of those in their assured entitlements.

The Company will allocate the Offer Shares in excess of assured allotments at their discretion on a fair and equitable basis, on a pro-rata basis to the excess Offer Shares applied for by the Qualifying Shareholders. However, no preference will be given to topping-up odd lots to whole board lots. Shareholders who have been offered odd lots of the Offered Shares should note that there is no guarantee that such odd lots of the Offer Shares will be topped up to create whole board lots pursuant to applications for excess Offer Shares.

The Company will notify the Qualifying Shareholders the allocation result of application for the Offer Shares and the excess Offer Shares on Monday, 27 July 2015 by way of announcement.

All cheques or cashier's orders will be presented for payment immediately following receipt and all interest earned on such application monies (if any) will be retained for the benefit of the Company. Any EAF in respect of which the cheque or cashier's order is dishonoured on first presentation is liable to be rejected. No receipt will be issued in respect of any EAF or any application monies received.

Persons whose Shares are held by a nominee company (or which are held in CCASS) should note that for the purposes of the principles above, the Company will regard the nominee company (including HKSCC) as a single Shareholder according to the register of members of the Company. Accordingly, persons whose Shares are registered in the name of a nominee company (or which are held in CCASS) should note that the arrangements in relation to the allocation of the excess Offer Shares will not be extended to them individually.

Both the Application Form and EAF are for the use by the person(s) named therein only and are not transferable.

No receipt will be issued in respect of any application monies received.

WARNING: The release of this prospectus does not mean that listing of the Offer Shares and Warrant Shares will be approved by the Stock Exchange.

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

The Company intends to use the proceeds from the Open Offer to, among other things, fund its Debt Restructuring and the repayment of the outstanding indebtedness of the Group other than those that will form part of the claims to be restructured under the Debt Restructuring. Given the financial situation of the Group and having considered other fund raising alternatives for the Group, such as placing of new Shares or other convertible bonds, and the benefits and cost of each of the alternatives, the Board considers that the Open Offer would be in the interests of the Company and the Shareholders as a whole as (i) the Open

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Offer (including the issue of Warrants) would offer all the Qualifying Shareholders an equal opportunity to participate in the enlargement of the capital base of the Company at the same price; (ii) the issue of the Warrants at no additional consideration provides incentive to the Qualifying Shareholders to apply for the Offer Shares without immediately diluting the shareholding interest; and (iii) it would enable the Qualifying Shareholders to continue to participate in the future development of the Company by taking up the Offer Shares and exercising the Warrants.

The aggregate gross proceeds from the Open Offer will amount to approximately HK\$391.0 million. The aggregate net proceeds from the Open Offer (after deducting the costs and expenses) are estimated to be approximately HK\$367.7 million, representing the net price of approximately HK\$0.09 per Offer Share. The aggregate net proceeds of approximately HK\$367.7 million are expected to be applied for funding the Debt Restructuring and the repayment of the outstanding indebtedness of the Group (other than those that will form part of the claims to be restructured under the Debt Restructuring), the upgrade and modification of the Quanzhou Shipyard and the working capital of the Group. The gross and net proceeds of approximately HK\$469.2 million and HK\$468.0 million respectively from the exercise of the subscription rights attaching to the Warrants, if it occurs, are expected to be utilised by the Company as general working capital.

PREVIOUS FUND RAISING EXERCISE OF THE COMPANY

The Company did not raise any funds by the issue of equity securities during the twelve months immediately preceding the Latest Practicable Date.

SHAREHOLDING STRUCTURE

As at the Latest Practicable Date, the Company has in issue (i) 7,820,554,682 Shares; (ii) outstanding Share Options entitling the holders thereof to subscribe for a total of 20,140,000 Shares; (iii) 555,000,000 outstanding Listco Preferred Shares entitling the holder thereof to convert those shares into 555,000,000 Shares based on the conversion ratio of 1:1; and (iv) the Listco Convertible Notes in the outstanding principal amount of US\$47,960,000 entitling holders thereof to convert those notes into 523,483,348 Shares based on the conversion rate of 10,915 Shares per US\$1,000.

Based on the best knowledge of the Directors, set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately upon completion of the Open Offer; (iii) immediately upon completion of the Open Offer and Share Subscriptions and assuming no exercise of Warrants and Subscription Warrants; (iv) immediately upon completion of the Open Offer, Share Subscriptions and debt settlement (including the issue of 9,382,164,000 new Shares under the Shipyard Termination Agreement, the issue of 1,926,810,834 new Shares to the holders of Existing Notes and the issue of 2,282,024,653 new Shares under the Assumption Agreement) and assuming no exercise of FELS Warrants, Warrants, Subscription Warrants, Share Options and Listco Preferred Shares; (v) immediately upon completion of the Open Offer, Share Subscriptions, debt settlement (including the issue of 9,382,164,000 new Shares under the Shipyard Termination Agreement, the issue of 1,926,810,834 new Shares to the holders of Existing Notes and the issue of 2,282,024,653 new

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Shares under the Assumption Agreement) and assuming all of Warrants and Subscription Warrants are exercised but no exercise of FELS Warrants, Share Options and Listco Preferred Shares; (vi) immediately upon completion of the Open Offer, Share Subscriptions, debt settlement (including the issue of 9,382,164,000 new Shares under the Shipyard Termination Agreement, the issue of 1,926,810,834 new Shares to the holders of Existing Notes and the issue of maximum number of Assumption Consideration Shares of 2,282,024,653 new Shares under the Assumption Agreement) and assuming the exercise of the FELS Warrants but no exercise of Warrants and Subscription Warrants, Share Options and Listco Preferred Shares; and (vii) immediately upon completion of the Open Offer, Share Subscriptions, debt settlement (including the issue of 9,382,164,000 new Shares under the Shipyard Termination Agreement, the issue of 1,926,810,834 new Shares to the holders of Existing Notes and the issue of 2,282,024,653 new Shares under the Assumption Agreement) and assuming the exercise of FELS Warrants, Warrants and Subscription Warrants but no exercise of Share Options and Listco Preferred Shares; (viii) immediately upon completion of the Open Offer, Share Subscriptions, debt settlement (including the issue of 9,382,164,000 new Shares to GZE under the Shipyard Termination Agreement, the issue of 1,926,810,834 new Shares to the holders of Existing Notes and the issue of 2,282,024,653 new Shares to Fame Dragon under the Assumption Agreement) and assuming the exercise of the FELS Warrants and Listco Preferred Shares but no exercise of Share Options, Warrants and Subscription Warrants; and (ix) immediately upon completion of the Open Offer, Share Subscription, debt settlement (including the issue of 9,382,164,000 new Shares to GZE under the Shipyard Termination Agreement, the issue of 1,926,810,834 new Shares to the holders of Existing Notes and the issue of the maximum number of Assumption Consideration Shares of 3,595,420,415 new Shares to Fame Dragon under the Assumption Agreement) and assuming the exercise of the Warrants, Subscription Warrants, FELS Warrants, Share Options and Listco Preferred Shares.

LETTER FROM THE BOARD

Shareholders	(i) As at the Latest Practicable Date		(ii) Immediately upon completion of the Open Offer				(iii) Immediately upon completion of the Open Offer and Share Subscriptions and assuming no exercise of Warrants and Subscribing Warrants			
	Number of Shares	Approximate %	Assuming no Shareholder take up the Offer Shares	Approximate %	Assuming all Shareholders take up the Offer Shares	Number of Shares	Assuming no Shareholder take up the Offer Shares	Approximate %	Assuming all Shareholders take up the Offer Shares	Approximate %
Fame Dragon and the Underwriter GZE	3,556,353,661	45.5	7,466,631,002	63.6	5,334,530,491	45.5	7,466,631,002	50.3	5,334,530,491	36.0
GZE and parties acting in concert with it	3,556,353,661	45.5	7,466,631,002	63.6	5,334,530,491	45.5	7,466,631,002	50.3	5,334,530,491	36.0
Wahen Investments	-	-	-	-	-	-	1,800,000,000	12.1	1,800,000,000	12.1
Share Option holders (Director)	-	-	-	-	-	-	-	-	-	-
Moral Base Investment Limited (Note 1)	1,000,000,000	12.8	1,000,000,000	8.5	1,500,000,000	12.8	1,000,000,000	6.7	1,500,000,000	10.1
Victory Stand	-	-	-	-	-	-	1,300,000,000	8.8	1,300,000,000	8.8
FELS (Note 2)	-	-	-	-	-	-	-	-	-	-
Holders of Existing Notes (Note 3)	84,520,000	1.1	84,520,000	0.7	126,780,000	1.1	84,520,000	0.6	126,780,000	0.9
Share Option holders (other employees)	-	-	-	-	-	-	-	-	-	-
Others public Shareholders	3,179,681,021	40.7	3,179,681,021	27.1	4,769,521,532	40.7	3,179,681,021	21.4	4,769,521,532	32.2
Public	3,264,201,021	41.7	4,264,201,021	36.4	4,896,301,532	41.7	5,564,201,021	37.5	6,196,301,532	41.8
Total	7,820,554,682	100.0	11,730,832,023	100.0	11,730,832,023	100.0	14,830,832,023	100.0	14,830,832,023	100.0

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Shareholders	(iv) immediately upon completion of the Open Offer, Share Subscriptions and debt settlement (including the issue of 9,382,164,000 new Shares to GZE under the Shipyard Termination Agreement, the issue of 1,926,810,834 new Shares to the holders of Existing Notes and the issue of 2,282,024,653 new Shares to Fame Dragon under the Assumption Agreement) and assuming no exercise of FELS Warrants, Subscription Warrants, Share Options and Listco Preferred Shares				(v) immediately upon completion of the Open Offer, Share Subscriptions and debt settlement (including the issue of 9,382,164,000 new Shares to GZE under the Shipyard Termination Agreement, the issue of 1,926,810,834 new Shares to the holders of Existing Notes and the issue of 2,282,024,653 new Shares to Fame Dragon under the Assumption Agreement) and assuming all of Warrants and Subscription Warrants are exercised but no exercise of FELS Warrants, Share Options and Listco Preferred Shares			
	Assuming no Shareholder take up the Offer Shares	Assuming all Shareholders take up the Offer Shares	Assuming no Shareholder take up the Offer Shares	Assuming all Shareholders take up the Offer Shares	Assuming no Shareholder take up the Offer Shares	Assuming all Shareholders take up the Offer Shares	Assuming no Shareholder take up the Offer Shares	Assuming all Shareholders take up the Offer Shares
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Fame Dragon and the Underwriter GZE	9,748,655,655 9,382,164,000	34.3 33.0	7,616,555,144 9,382,164,000	26.8 33.0	13,658,932,996 9,382,164,000	38.5 26.5	9,394,731,974 9,382,164,000	26.5 26.5
GZE and parties acting in concert with it	19,130,819,655	67.3	16,998,719,144	59.8	23,041,096,996	65.0	18,776,895,974	53.0
Wahen Investments Share Option holders (Director)	1,800,000,000 –	6.3 –	1,800,000,000 –	6.3 –	3,600,000,000 –	10.2 –	3,600,000,000 –	10.2 –
Moral Base Investment Limited (Note 1)	1,000,000,000	3.5	1,500,000,000	5.3	1,000,000,000	2.8	2,000,000,000	5.6
Victory Stand FELS (Note 2)	1,300,000,000	4.6	1,300,000,000	4.6	2,600,000,000	7.3	2,600,000,000	7.3
Holders of Existing Notes (Note 3)	2,011,330,834	7.1	2,053,590,834	7.2	2,011,330,834	5.7	2,095,850,834	5.9
Share Option holders (other employees)	–	–	–	–	–	–	–	–
Others public Shareholders	3,179,681,021	11.2	4,769,521,532	16.8	3,179,681,021	9.0	6,359,362,043	17.9
Public	7,491,011,855 (Note 5)	26.4 (Note 5)	9,623,112,366 (Note 5)	33.9 (Note 5)	8,791,011,855 (Note 5)	24.8 (Notes 5 and 6)	13,055,212,877 (Note 5)	36.8 (Note 5)
Total	28,421,831,510	100.0	28,421,831,510	100.0	35,432,108,851	100.0	35,432,108,851	100.0

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Shareholders	(vi) immediately upon completion of the Open Offer, Share Subscription, debt settlement (including the issue of 9,382,164,000 new Shares to GZE under the Shipyard Termination Agreement, the issue of 1,926,810,834 new Shares to the holders of Existing Notes and the issue of 2,282,024,653 new Shares to Fame Dragon under the Assumption Agreement) and the exercise of FELS Warrants but no exercise of Warrants, Subscription Warrants, Share Options and Listco Preferred Shares				(vii) immediately upon completion of the Open Offer, Share Subscription, debt settlement (including the issue of 9,382,164,000 new Shares to GZE under the Shipyard Termination Agreement, the issue of 1,926,810,834 new Shares to the holders of Existing Notes and the issue of 2,282,024,653 new Shares to Fame Dragon under the Assumption Agreement) and the exercise of the FELS Warrants, Warrants and Subscription Warrants but no exercise of Share Options and Listco Preferred Shares			
	Assuming no Shareholder take up the Offer Shares		Assuming all Shareholders take up the Offer Shares		Assuming no Shareholder take up the Offer Shares		Assuming all Shareholders take up the Offer Shares	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Fame Dragon and the Underwriter GZE	9,748,655,655 9,382,164,000	30.9 29.7	7,616,555,144 9,382,164,000	24.1 29.7	13,658,932,996 9,382,164,000	35.4 24.3	9,394,731,974 9,382,164,000	24.4 24.3
GZE and parties acting in concert with it	19,130,819,655	60.6	16,998,719,144	53.8	23,041,096,996	59.8	18,776,895,974	48.7
Wahen Investments Share Option holders (Director)	1,800,000,000 –	5.7 –	1,800,000,000 –	5.7 –	3,600,000,000 –	9.3 –	3,600,000,000 –	9.3 –
Moral Base Investment Limited (Note 1)	1,000,000,000	3.2	1,500,000,000	4.8	1,000,000,000	2.6	2,000,000,000	5.2
Victory Stand FELS (Note 2)	1,300,000,000 3,122,931,542	4.1 9.9	1,300,000,000 3,122,931,542	4.1 9.9	2,600,000,000 3,122,931,542	6.7 8.1	2,600,000,000 3,122,931,542	6.7 8.1
Holders of Existing Notes (Note 3)	2,011,330,834	6.4	2,053,590,834	6.5	2,011,330,834	5.2	2,095,850,834	5.4
Share Option holders (other employees)	–	–	–	–	–	–	–	–
Others public Shareholders	3,179,681,021	10.1	4,769,521,532	15.1	3,179,681,021	8.2	6,359,362,042	16.5
Public	10,613,943,397 (Note 5)	33.6 (Note 5)	12,746,043,908 (Note 5)	40.4 (Note 5)	11,913,943,397 (Note 5)	30.9 (Note 5)	16,178,144,418 (Note 5)	42.0 (Note 5)
Total	31,544,763,052	100.0	31,544,763,052	100.0	38,555,040,393	100.0	38,555,040,393	100.0

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Shareholders	(viii) immediately upon completion of the Open Offer, Share Subscriptions, debt settlement (including the issue of 9,382,164,000 new Shares to GZE under the Shipyard Termination Agreement, the issue of 1,926,810,834 new Shares to the holders of Existing Notes and the issue of 2,282,024,653 new Shares to Fame Dragon under the Assumption Agreement) and assuming the exercise of the FELS Warrants and Listco Preferred Shares but no exercise of Share Options, Warrants and Subscription Warrants				(ix) immediately upon completion of the Open Offer, Share Subscription, debt settlement (including the issue of 9,382,164,000 new Shares to GZE under the Shipyard Termination Agreement, the issue of 1,926,810,834 new Shares to the holders of Existing Notes and the issue of the maximum number of Assumption Consideration Shares of 3,595,420,415 new Shares to Fame Dragon under the Assumption Agreement) and assuming the exercise of the Warrants, Subscription Warrants, FELS Warrants, Share Options and Listco Preferred Shares			
	Assuming no Shareholder take up the Offer Shares	Approximate Number of Shares	%	Assuming all Shareholder take up the Offer Shares	Approximate Number of Shares	%	Assuming all Shareholder take up the Offer Shares	Approximate Number of Shares
Fame Dragon and the Underwriter GZE	10,303,655,655 9,382,164,000	32.1 29.2	8,171,555,144 9,382,164,000	25.5 29.2	15,527,328,758 9,382,164,000	38.4 23.2	11,263,127,736 9,382,164,000	27.8 23.2
GZE and parties acting in concert with it	19,685,819,655	61.3	17,553,719,144	54.7	24,909,492,758	61.6	20,645,291,736	51.0
Wahen Investments Share Option holders (Director)	1,800,000,000 –	5.6 –	1,800,000,000 –	5.6 –	3,600,000,000 10,000,000	8.9 0.0	3,600,000,000 10,000,000	8.9 0.0
Moral Base Investment Limited (Note 1)	1,000,000,000	3.1	1,500,000,000	4.7	1,000,000,000	2.5	2,000,000,000	4.9
Victory Stand FELS (Note 2)	1,300,000,000 3,122,931,542	4.0 9.7	1,300,000,000 3,122,931,542	4.0 9.7	2,600,000,000 3,122,931,542	6.4 7.7	2,600,000,000 3,122,931,542	6.4 7.7
Holders of Existing Notes (Note 3)	2,011,330,834	6.3	2,053,590,834	6.4	2,011,330,834	5.0	2,095,850,834	5.2
Share Option holders (other employees)	–	–	–	–	10,140,000	0.0	10,140,000	0.0
Others public Shareholders	3,179,681,021	10.0	4,769,521,532	14.9	3,179,681,021	7.9	6,359,362,043	15.7
Public	10,613,943,397 (Note 5)	33.1 (Note 5)	12,746,043,908 (Note 5)	39.7 (Note 5)	11,924,083,397 (Note 5)	29.5 (Note 5)	16,188,284,419 (Note 5)	40.0 (Note 5)
Total	32,099,763,052	100.0	32,099,763,052	100.0	40,443,576,155	100.0	40,443,576,155	100.0

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Notes:

1. Moral Base Investment Limited, which is beneficially owned as to 50% by Mr. Wong Chi Leung and 50% by Ms. Wong Kwok Ying, the spouse of Mr. Wong Chi Leung, (save for their shareholding in the Company, Mr. Wong Chi Leung and Ms. Wong Kwok Ying are Independent Third Parties) will be regarded as public Shareholders if its shareholding is less than 10% of the issued share capital of the Company.
2. It is one of the conditions precedent of the Management Services Agreement that the Company having granted FELS (or such other person as FELS may specify) the convertible bonds which are convertible, at the option of the holder of such bonds, into 9.9% of the total issued share capital of the Company after completion of the Debt Restructuring and on terms as described in the announcement of the Company dated 25 November 2013 or the warrants to subscribe for 9.9% of the total issued share capital of the Company after completion of the Debt Restructuring at an indicative initial subscription price of HK\$0.12 at any time during a period of four years from the issue of the warrants, as elected by FELS in its absolute discretion, and having complied with all applicable requirements under the Listing Rules or those requirements imposed by the Stock Exchange, the SFC and/or the Bermuda Court in respect of the convertible bonds or the warrants as so elected by FELS. FELS has since elected to be granted the FELS Warrants.
3. The aggregate outstanding amount and the accrued interests of the Existing Notes under the Creditors' Scheme are amounted to approximately US\$181.1 million (equivalent to approximately HK\$1,412.7 million). Based on the Creditors' Scheme, the aggregate number of Shares for the Creditors' Scheme will be 1,926,810,834.
4. The percentages shown are rounded to the nearest 1 decimal place. Numbers may not add up to 100% due to rounding.
5. The figures or percentages included the Shares and/or the percentage of shareholding of Moral Base Investment Limited as its shareholding is less than 10% of the issued share capital of the Company in the respective scenario.
6. Such scenario is for illustrative purpose only. If the Company considers that it would no longer satisfy the minimum public shareholding (i.e. 25% public float) requirement under Rule 8.08 of the Listing Rules immediately following an exercise of the subscription right under any Warrants or Subscription Warrants, such exercise shall be postponed until such time as the Company is satisfied that such exercise will not result in any non-compliance of Rule 8.08 of the Listing Rules.

INFORMATION ON THE GROUP

Before the Suspension, the Group was engaged in the operation of onshore and offshore oil storage facilities, transportation, supply and distribution of oil and chemical products, and shipbuilding and ship repair.

As disclosed in the annual report of the Company for the year ended 31 December 2014, the Group did not earn any revenue for the year ended 31 December 2014.

None of the Company, the controlling Shareholders (including GZE) or the Directors has any present agreement, arrangement, intention, negotiation and/or plan to carry out a principal business other than the existing business of the Company within 24 months after Resumption, save for the businesses to be operated by the Group pursuant to the Restructuring. None of the controlling Shareholders (including GZE) has any intention or plans to dispose of its controlling interests in the Company within 24 months after Resumption. All of the Directors will remain with the Board after Resumption except Mr. Foo Meng Kee, being an independent non-executive Director, indicated that, as at the Latest Practicable Date he cannot determine whether he will remain with the Board after Resumption.

LETTER FROM THE BOARD

ADJUSTMENT TO THE SHARE OPTIONS

As a result of the Open Offer, it is expected that the exercise prices of, and/or the number of Shares subject to, the outstanding share options will be adjusted in accordance with the terms and conditions of the share option scheme of the Company. The Company will engage the Company's auditors/independent financial adviser to review and determine the relevant adjustments and make further announcements on the appropriate adjustments and the date they are expected to take effect in due course.

WARNING OF THE RISKS OF DEALING IN THE SHARES

The Open Offer is conditional, *inter alia*, upon the fulfillment of the conditions set out in the section headed "Conditions of the Open Offer" in this prospectus. In particular, the Open Offer is conditional upon the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof as set out in the paragraph headed "Termination of the Underwriting Agreement" in this prospectus. Accordingly, the Open Offer may or may not proceed. Shareholders and potential investors of the Company should therefore exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

The release of this prospectus does not mean that listing of the Offer Shares and Warrant Shares will be approved by the Stock Exchange.

CONTINUED SUSPENSION OF TRADING IN THE SHARES

Trading in the Shares on the Stock Exchange has been suspended since 19 June 2012. Until satisfaction of all the conditions of Resumption set by the Stock Exchange, trading in the Shares will continue to be suspended. The release of this prospectus and/or the Prospectus Documents does not indicate that the Shares will resume trading. Shareholders should note that the Shares may be delisted by the Stock Exchange in the event that the Company fails to satisfy all the conditions of Resumption within the time stipulated by the Stock Exchange. Accordingly, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this prospectus.

By Order of the Board
Titan Petrochemicals Group Limited
Zhao Xu Guang
Chairman and Chief Executive

1. FINANCIAL INFORMATION OF THE GROUP**Financial summary for the three years ended 31 December 2014**

Financial information of the Group for each of the three years ended 31 December 2012, 2013 and 2014 were disclosed in the annual reports of the Company for the years ended 31 December 2012 (pages 45 to 153), 2013 (pages 47 to 153) and 2014 (pages 43 to 159), which were published on both the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.petrotitan.com>) respectively.

The consolidated financial statements for the years ended 31 December 2012, 2013 and 2014 were audited by HLB Hodgson Impey Cheng Limited. The disclaimers of opinion for the year ended 31 December 2012, 2013 and 2014 were disclosed in pages 35 to 44, pages 38 to 46 and pages 34 to 42 of the annual reports of the Company for the years ended 31 December 2012, 2013 and 2014 respectively. Please refer to the hyperlinks as stated below:

2012 annual report:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2014/0409/LTN20140409383.pdf>

2013 annual report:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2014/0530/LTN20140530235.pdf>

2014 annual report:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0424/LTN20150424576.pdf>

2. INDEBTEDNESS STATEMENT

At the close of business on 31 May 2015, being the latest practicable date for ascertaining this information prior to the printing of this prospectus, the Group had aggregate outstanding borrowings of approximately HK\$4,625 million, accounts payable of approximately HK\$312 million, amounts due to the ultimate holding company of approximately HK\$947 million (including RMB740 million (equivalent to approximately HK\$943 million) under the Shipyard Termination Agreement), amounts due to deconsolidated companies of approximately HK\$504 million, amount due to the deconsolidated jointly-controlled entity of approximately HK\$175 million and other payables and accruals of approximately HK\$498 million respectively.

Borrowings comprised of guaranteed and secured loan and accrued interests from the ultimate holding company of approximately HK\$1,947 million and approximately HK\$130 million respectively, guaranteed and unsecured loan and accrued interests from the ultimate holding company of approximately HK\$102 million and approximately HK\$7 million respectively, guaranteed and unsecured bank loan of approximately HK\$6 million, unsecured loans and its accrued interest from the immediate holding company of approximately HK\$106 million and approximately HK\$1 million, the 2012 Senior Notes with a par value of HK\$826 million and a carrying value of approximately HK\$882 million, Listco Convertible Notes with a par value of HK\$374 million and a carrying value approximately HK\$442 million, PIK Notes Due 2015 with a par value of HK\$85 million and a carrying value of approximately HK\$89 million, K-Line Notes with a par value of HK\$195 million and a carrying value of approximately HK\$203 million, and Listco Preferred Shares with a par value of HK\$310.8 million and a carrying value of HK\$427 million, and other secured loans and its accrued interest of approximately HK\$266 million and approximately HK\$17 million respectively.

The Group's borrowings were secured by the construction in progress, machinery, buildings, prepaid land/seabed lease payments, investment property, shares of certain subsidiaries, certain Company's shares owned by a related party of the Company, personal guarantees executed by a related party and a former director of the Company and corporate guarantees executed by the Company and its subsidiaries.

Save as aforesaid and apart from normal trade payables in the ordinary course of business, other payables and accruals, none of the entities of the Group had any debt securities which are issued and outstanding, or authorised or otherwise created but unissued term loans, other borrowings or indebtedness including bank overdrafts loans or other similar indebtedness liabilities under acceptances (other than normal trade bills), acceptance credits or hire purchase commitments, mortgage, charges, activities or other material contingent liabilities as at the close of business on 31 May 2015.

3. WORKING CAPITAL STATEMENT

The Directors are of the opinion that, after taking into account of the proceeds from the Open Offer and Share Subscriptions, cash flow from operation of the Group, the Group would have sufficient working capital to satisfy its present requirements of the next twelve months from the date of Resumption.

4. MATERIAL ADVERSE CHANGES

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2014, being the date to which the latest published audited consolidated financial statements of the Company were made up.

5. FINANCIAL AND TRADING PROSPECT

As mentioned above, trading in the Shares on the Stock Exchange was suspended since 9:00 a.m. on 19 June 2012.

Subject to the completion of the transactions contemplated under the Restructuring and the trading in the Shares being resumed, it is expected that the financial position of the Company will be regularised. With the enhanced financial position, the existing business of the Company is expected to be continued in an expanded scale.

After completion of the Restructuring, the Group will use the Quanzhou Shipyard as base for re-building its business. It will re-activate the shipbuilding and ship repair business it carried on before Suspension and at the same time, expand into the business of offshore and marine engineering services, which primarily involves the construction, repair, conversion and upgrading of oil rigs used in connection with offshore oil and gas drilling operations as well as FPSO, FSO, FSRU and FLNG, which are support vessels used in those operations.

In recent years, the offshore and marine engineering sector has undergone rapid growth and is expected to have significant potential for further growth in the near future and the Directors believe that there remains significant potential for further growth in this sector in the near term. As such, the Directors consider that it is an opportune time to optimize the value of Quanzhou Shipyard facilities by focusing the strategy on the construction of high value premium quality vessels (such as drill ship, oil rigs etc) and ship repair and conversion business to tap into the offshore and marine engineering sector which are less sensitive to the macro-economic environment and with high barrier of entry.

The Group also considers that such expansion will be a natural extension of its shipbuilding and ship repair business as it will, to a significant extent, be able to utilise its existing production facilities at the Quanzhou Shipyard also to undertake the construction, repair, conversion and upgrading of oil rigs, FPSO, FSO, FSRU and FLNG, subject to certain modification and upgrading works, which the Group is already undertaking.

To help the Group to build up its capability and the track record and to strengthen the Group's position in connection with its expansion into the offshore and marine engineering sector, the Group has entered in a long-term cooperation arrangement with FELS, an Independent Third Party, pursuant to the Management Services Agreement signed on 9 April 2014. FELS is a subsidiary of Keppel, which is a global leader in the design, construction and repair of offshore rigs.

**A. INTRODUCTION TO THE UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE GROUP**

The accompanying unaudited pro forma consolidated statement of financial position (collectively the “Unaudited Pro Forma Financial Information”) of the Group has been prepared to illustrate the effect of the Restructuring might have affected the financial position of the Group. Capitalised terms used herein shall have the same meaning as those defined in this prospectus unless the context otherwise requires.

The Unaudited Pro Forma Financial Information of the Group as at 31 December 2014 is prepared based on the audited consolidated statement of financial position of the Group as at 31 December 2014, as if the Restructuring had been completed on 31 December 2014.

The Unaudited Pro Forma Financial Information of the Group is prepared based on a number of assumptions, estimates, uncertainties and the currently available information, and is provided for illustrative purposes only. Accordingly, as a result of the nature of the Unaudited Pro Forma Financial Information of the Group, it may not give a true picture of the actual financial position of the Group that would have been attained had the Restructuring actually occurred on the date indicated herein.

Furthermore, the Unaudited Pro Forma Financial Information of the Group does not purport to predict the Group’s future financial position. The Unaudited Pro Forma Financial Information of the Group should be read in conjunction with the financial information of the Group as set out in the prospectus and other financial information included elsewhere in this prospectus.

APPENDIX II

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

B. UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Audited consolidated statement of financial position of the Group as at 31 December 2014 HK\$'000	Reclassification of discontinued operations continuing 31 December 2014 HK\$'000	Adjusted unaudited consolidated statement of financial position of the Group as at 31 December 2014 HK\$'000	Gross proceeds from Open Subscription	Gross proceeds from Stand Subscription	Gross proceeds from Victory Subscription	Gross proceeds from Wahan Investment Subscription	Legal & professional fee on Open Subscription	Second Loan Agreement from Fama Dragon (Mar 2014)	2015 Loan Agreement from Fama Dragon (Feb 2015)	Settlement of Existing Notes	Settlement of Creditors' Claims	Settlement of Unsecured Creditors' Claims	Creditors' Settlement Agreement	Share Termination Agreement	Legal & professional fee on debt restructuring	Like Shares Modification Agreement	Deconsolidation of UOI Finance	Compromise agreement in respect of TQSL Holding	Creditors' scheme of arrangement	Assumption Agreement	Adjusted Group
Non-current assets																						
Property, plant and equipment	3,138	2,488,687	2,491,825																			2,491,825
Prepaid indorsed lease payments	-	306,345	306,345																			306,345
Investment property	-	166,223	166,223																			166,223
Total non-current assets	169,361	2,855,255	2,855,255																			2,855,255
Current assets																						
Inventories	-	44,627	44,627																			44,627
Prepayments, deposits and other receivables	145,555	21,457	166,992																(2)			166,990
Pledged deposits and restricted cash	26,520	-	26,520																			26,520
Cash and cash equivalents	1,315	131	1,446																(2)			482,593
Assets of a disposal group classified as held for sale	173,390	259,585	259,585																			720,730
Total current assets	2,861,227	(2,861,227)	-																			-
Total assets	3,034,617	-	2,855,255																			720,730
Current liabilities																						
Interest-bearing bank and other loans	5,880	93,861	99,741																			-
Accounts payable	217,731	410,840	628,571																			6,987
Other payables and accruals (Note 16(a) and (b))	774,100	202,896	976,996																			329,878
Notes payable	441,753	88,657	530,410																			-
Guaranteed senior payment-in-kind notes	88,657	88,657	177,314																			-
Guaranteed senior convertible notes	882,329	420,717	1,303,046																			-
Fixed rate guaranteed senior notes	420,717	947,505	1,368,222																			-
Liability portion of convertible preferred shares	420,717	83,949	504,666																			88,101
Amounts due to the ultimate holding company	3,000	3,000	6,000																			3,000
Amount due to the immediate holding company	3,000	3,000	6,000																			3,000
Loans from the immediate holding company	1,109	1,109	2,218																			1,109
Tax payable	3,985,692	4,574,242	8,559,934																			429,182
Liabilities directly associated with the assets classified as held for sale	2,865,369	(2,865,369)	-																			-
Total current liabilities	6,851,061	4,574,242	11,425,303																			429,182
Net current (liabilities)/assets	(3,816,444)	(4,334,757)	(8,151,201)																			291,548
Total assets less current liabilities	(3,647,083)	(1,370,364)	(5,017,447)																			3,255,941
Non-current liabilities																						
Liabilities portion of convertible preferred shares	-	34,121	34,121																			359,917
Deferred tax liabilities	-	59,203	59,203																			93,324
Interest-bearing bank and other loans	-	265,658	265,658																			265,658
Other payables and accruals	-	5,693	5,693																			5,693
Amount due to the immediate holding company	456	1,946,165	1,946,621																			456
Loans from the ultimate holding company	102,295	2,048,438	2,150,733																			2,048,438
Loans from the immediate holding company	48,681	48,681	97,362																			48,681
Total non-current liabilities	185,551	2,462,270	2,647,821																			2,915,746
Net (liabilities)/assets	(3,832,634)	(3,832,634)	-																			342,195
Deficiency in assets/Equity (Deficiency attributable to owners of the Company)	78,206	(3,910,840)	(3,832,634)																			284,219
Share capital	78,206	78,206	156,412																			284,219
(Deficits)/Reserves	(3,910,840)	(3,910,840)	(3,832,634)																			(3,832,634)
(Deficiency in assets)/Total equity	(3,832,634)	(3,832,634)	-																			342,195

APPENDIX II	UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP
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HK\$

Unaudited consolidated net tangible liabilities of the Group attributable to owners of the Company per Share prior to completion of the Restructuring (<i>Note 17</i>)	<u>(0.49)</u>
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Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share immediately after completion of the Restructuring (<i>Note 18</i>)	<u>0.01</u>
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C. NOTES TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

Notes:

1. The consolidated statement of financial position of the Group as at 31 December 2014 is extracted from the Company's audited financial statement for the year ended 31 December 2014.
2. The pro forma adjustment represents reclassification of the "Assets of a disposal group classified as held for sale" and the "Liabilities directly associated with the assets classified as held for sale" recognised in the consolidated statement of financial position as at 31 December 2014 into respective assets and liabilities of the Group assuming the Shipyard Termination Agreement has been entered into between the Company, TQSL Holding, TPFL and GZE and the conditions precedent are satisfied as at 31 December 2014, for which the parties conditionally agreed that the Shipyard Sale and Purchase Agreement to be terminated with immediate effect.
3. The pro forma adjustment represents the estimated proceeds of approximately HK\$391,028,000 from the Open Offer in the proportion of one Offer Share for every two existing shares in which 3,910,277,341 Offer Shares will be issued under the Open Offer (based on 7,820,554,682 shares in issue as at the Latest Practicable Date and assuming no share options would be exercised) at the subscription price of HK\$0.1 per Share.
4. The pro forma adjustment represents the issue of Subscription Shares to the respective investors, assuming the Share Subscriptions have taken place on 31 December 2014:
 - (a) The pro forma adjustment represents the estimated proceeds from the Victory Stand Subscription Agreement (the "Victory Stand Subscription") of approximately HK\$130,000,000 which is based on 1,300,000,000 Shares to be issued at the subscription price of HK\$0.1 per Share. Pursuant to the Victory Stand Subscription Agreement, Victory Stand has conditionally agreed to subscribe for 1,300,000,000 Subscription Warrants free of charge to be issued by the Company. As those Subscription Warrants can only be exercisable after 3 years of the issue, it is not reflected in the pro forma consolidated statement of financial position. As a result of the Victory Stand Subscription Agreement, the Company's share capital and share premium will be increased by approximately HK\$13,000,000 and approximately HK\$117,000,000 respectively.

- (b) The pro forma adjustment represents the estimated proceeds from Wahan Investments Subscription Agreement (the “Wahan Investments Subscription”) of approximately HK\$180,000,000 which is based on 1,800,000,000 Shares to be issued at the subscription price of HK\$0.1 per Share. Pursuant to the Wahan Investments Subscription Agreement, Wahan Investments has conditionally agreed to subscribe for 1,800,000,000 Subscription Warrants free of charge to be issued by the Company. As those Subscription Warrants can only be exercisable after 3 years of the issue, it is not reflected in the pro forma consolidated statement of financial position. As a result of the Wahan Investments Subscription Agreement, the Company’s share capital and share premium will be increased by approximately HK\$18,000,000 and approximately HK\$162,000,000 respectively.
- (c) The pro forma adjustment represents the estimated legal and professional fee incurred for the Open Offer, Victory Stand Subscription and Wahan Investments Subscription of approximately HK\$2,479,000.
5. These pro forma adjustments represent the loans from Fame Dragon, assuming taking place on 31 December 2014:
- (a) The pro forma adjustment represents the drawdown of the remaining loan facility of approximately HK\$13,559,000 as at 31 December 2014 granted from Fame Dragon in respect of the Second Loan Agreement entered into between Fame Dragon and the Company on 13 March 2014. The total facility is HK\$62,240,000.
- (b) The pro forma adjustment represents the drawdown of the loan facility of approximately HK\$78,000,000 granted from Fame Dragon in respect of the 2015 Loan Agreement entered into between Fame Dragon and the Company on 27 February 2015.
6. The pro forma adjustment represents the settlement of the Existing Notes Creditors (including both principal and interests) of the Company as at 31 December 2014 by way of the Creditors’ Scheme, under which the Listco Convertible Notes of approximately HK\$441,753,000, PIK Notes Due 2015 of approximately HK\$88,657,000 and 2012 Senior Notes of approximately HK\$882,329,000 will be compromised and discharged, and in return:
- (i) a cash payment of HK\$211,276,000 out of the proceeds from the Share Subscriptions will be paid to the Existing Notes Creditors; and
- (ii) 1,926,810,834 new Shares will be issued under the Creditors’ Scheme at the issuing price of HK\$0.1 per Share with the par value of HK\$0.01 each, pursuant to which the Company’s share capital will be increased by approximately HK\$19,268,000 and its share premium account will be increased by approximately HK\$173,413,000 respectively;
- For those Existing Notes Creditors who fail to submit the completed Account Holder Letter to the Information Agent prior to the Bar Time (5 February 2015) will not be entitled to receive any scheme consideration and will have its liabilities compromised and discharged fully.
- Upon the discharge of the liabilities arising from the Company’s Existing Notes Creditors under the Creditors’ Scheme, the Company will recognise a net gain of approximately HK\$1,008,782,000, representing the difference between the total liabilities of approximately HK\$1,412,739,000 to be compromised and discharged under the Creditors’ Scheme and the total settlement amount of approximately HK\$403,957,000 to be made (including the cash settlement and the issue of new Shares under the Creditors’ Scheme).
7. The pro forma adjustment represents the settlement of the Unsecured Creditors of the Company as at 31 December 2014 by way of the Creditors’ Scheme (including Frontline Settlement Agreement), under which the accounts payables of approximately HK\$217,731,000 and other payables and accruals of approximately HK\$148,895,000 will be compromised and discharged, and in return of a cash payment of HK\$36,858,000 out of the proceeds from the Share Subscriptions and Open Offer will be paid to the Unsecured Creditors.

Upon the discharge of the liabilities arising from the Unsecured Creditors of the Company under the Creditors' Scheme, the Company will recognise a net gain of approximately HK\$329,768,000, representing the difference between the total liabilities owed to the Unsecured Creditors of the Company of approximately HK\$366,626,000 to be compromised and discharged under the Scheme and the total cash settlement amount of approximately HK\$36,858,000 to be made.

8. The pro forma adjustment represents the settlement of the other compromised creditors of the Company (i.e. K-Line Settlement Agreement) as at 31 December 2014 by way of the Creditors' Scheme, under which the interest-bearing bank loan of approximately HK\$5,945,000 (including principal and interest payable) and notes payables of approximately HK\$202,896,000 will be compromised and discharged, and in return of a cash payment of HK\$20,884,000 out of the proceeds from the Share Subscriptions and Open Offer will be paid to those other compromised creditors.

Upon the discharge of the liabilities arising from those other compromised creditors of the Company under the Scheme, the Company will recognise a net gain of approximately HK\$187,957,000 to be compromised and discharged under the Scheme and the total cash settlement amount of approximately HK\$20,884,000 to be made.

9. The deposit received of RMB740,000,000 (equivalent to approximately HK\$943,291,000) originally paid by Grand China Logistics to the Group was assigned to GZE. The Company will issue 9,382,164,000 new Shares at the issue price of HK\$0.1 each in lieu of repayment of such amount, assuming the Shipyard Termination Agreement has taken place on 31 December 2014. The Company's share capital will be increased by approximately HK\$93,822,000 and its share premium account will be increased by approximately HK\$844,394,000 respectively. The Company will recognise a gain of approximately HK\$5,075,000 upon settlement of the deposit received.
10. The pro forma adjustment represents the estimated legal and professional fee incurred for the Restructuring of approximately HK\$30,690,000, assuming it has taken place on 31 December 2014.
11. The pro forma adjustment represents upon the Company entering into an extension agreement with DBIL, a company assigned by Saturn Petrochemical, the original Listco Preferred Shares holder, the redemption period of the Listco Preferred Shares was extended to any time on or after the 3rd year when the Restructuring become effective, assuming the Restructuring has become effective as at 31 December 2014. The Listco Preferred Shares were therefore reclassified as non-current liabilities as at 31 December 2014 accordingly.

Upon entering into the extension agreement, the Company will recognise a net gain of approximately HK\$60,800,000, representing the difference between the fair value of the liability component of the Listco Preferred Shares with the outstanding dividend payables to the Listco Preferred Shares holders of approximately HK\$359,917,000 and the total settlement of the original Listco Preferred Shares of approximately HK\$420,717,000, assuming the extension agreement have become effective on 31 December 2014.

For the purpose of preparing the Unaudited Pro Forma Financial Information of the Group, the Listco Preferred Shares amount is taken to be its fair value.

12. The pro forma adjustment represents deconsolidation of Titan Oil Finance Limited ("Oil Finance"), an indirect wholly-owned subsidiary of the Company, upon Oil Finance have been placed into liquidation. The deconsolidation of Oil Finance will lead to a decrease in cash and cash equivalents of approximately HK\$2,000, a decrease in other receivables of approximately HK\$2,000 and a decrease in amounts due to deconsolidated subsidiaries in Singapore of approximately HK\$20,524,000 and a gain on deconsolidation of Oil Finance of approximately HK\$20,520,000 will be recognised in reserves of the Group, assuming it has taken place on 31 December 2014.
13. The pro forma adjustment represents the settlement of the amounts due to the deconsolidated subsidiaries in Singapore under TQSL Holding, an indirect wholly-owned subsidiary of the Company, as at 31 December 2014 by way of entering into a compromise agreement made between TQSL Holding and the liquidators in Singapore, under which the amounts due to the deconsolidated subsidiaries in Singapore of approximately HK\$79,583,000 will be compromised and settled by the third party's loan for an amount of approximately HK\$796,000, which the repayment of such third party's loan to be funded by internal resources within the Group.

Upon entering into the above compromise arrangement with the liquidators in Singapore, the Company will recognise a net gain of approximately HK\$78,787,000, representing the difference between the amounts due to the deconsolidated subsidiaries in Singapore of approximately HK\$79,583,000 to be compromised and discharged under the compromise arrangement and the amount to be compromised and settled by the third party's loan of approximately HK\$796,000, which the repayment of such third party's loan will be funded by internal resources within the Group.

14. The pro forma adjustment represents the settlement of the amounts due to the deconsolidated subsidiaries in Singapore under TRML, an indirect wholly-owned subsidiary of the Company, as at 31 December 2014 by way of a creditor scheme, under which the amounts due to the deconsolidated subsidiaries in Singapore of approximately HK\$333,297,000 will be compromised and settled by the internal resources within the Group of approximately HK\$8,455,000.

Upon the above creditor scheme, the Company will recognise a net gain of approximately HK\$324,842,000, representing the difference between the amounts due to the deconsolidated subsidiaries in Singapore of approximately HK\$333,297,000 to be compromised and discharged under the creditor scheme and the amount to be compromised and settled by the internal resources within the Group of approximately HK\$8,455,000.

15. The pro forma adjustment represents upon the Company entering into the Assumption Agreement with Fame Dragon in respect of assigning all remaining outstanding debts due by TQS to Fame Dragon, the Company will in return issuing the Assumption Consideration Shares to Fame Dragon, assuming the Assumption Agreement have taken place on 31 December 2014. The outstanding debts owed by TQS as at 31 December 2014 with accounts payables of approximately HK\$86,874,000 and other payables of approximately HK\$272,668,000 will be compromised and discharged, and in return 2,282,024,653 Assumption Consideration Shares with par value of HK\$0.01 each will be issued at the issuing price of HK\$0.1 each, pursuant to which the Company's share capital will be increased by approximately HK\$22,820,000 and its share premium account will be increased by approximately HK\$205,382,000 respectively.

Upon the discharge of the liabilities arising from the TQS under the above arrangement, the Company will recognise a net gain of approximately HK\$131,340,000 representing the difference between the total liabilities of approximately HK\$359,542,000 to be compromised and discharged under the above arrangement and the settlement amount of approximately HK\$228,202,000 by way of issuing the Assumption Consideration Shares to be made.

16. After taking account of the above pro forma adjustments, included in other payables and accruals consist of the amounts due to a deconsolidated jointly-controlled entity and amounts due to deconsolidated subsidiaries amounting to approximately HK\$174,665,000 and HK\$70,717,000 respectively.
- (a) In respect of the amounts due to a deconsolidated jointly-controlled entity of HK\$174,665,000, upon completion of the liquidation of TGIL, the amounts will be net off with the amounts due from a deconsolidated jointly-controlled entity amounting to approximately HK\$152,067,000 (which had been fully impaired as at 31 December 2014). The remaining balance will be settled by the internal resources of the Group.
- (b) In respect of the amounts due to deconsolidated subsidiaries amounting to HK\$70,717,000, the balances will be fully written off upon completion of the liquidation of these deconsolidated subsidiaries, or the Company plans to implement the restructuring of the PRC subsidiaries, including but not limited to winding up the PRC subsidiaries (upon the discharge of Provisional Liquidators).
17. The number of shares used for the calculation of the unaudited adjusted consolidated net tangible liabilities attributable to the owners of the Company per Share as at 31 December 2014 and prior to completion of the Restructuring is based on 7,820,554,682 Shares in issue as at 31 December 2014.

18. The number of shares used for the calculation of the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company after completion of the Restructuring is based on 28,421,831,510 Shares in issue upon completion of the Restructuring, which represents:

- (i) 7,820,554,682 Shares in issue as at 31 December 2014;
- (ii) 3,910,277,341 Offer Shares to be issued;
- (iii) 3,100,000,000 Subscription Shares to be issued;
- (iv) 1,926,810,834 new Shares to be issued under the Creditors' Scheme;
- (v) 9,382,164,000 new Shares to be issued under the Shipyard Termination Agreement; and
- (vi) 2,282,024,653 new Shares to be issued under the Assumption Agreement upon Resumption.

3,910,277,341 Offer Shares was calculated assuming no outstanding convertible securities being exercised and converted respectively on or before the Record Date.

D. REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The following is the text of a report received from HLB Hodgson Impey Cheng Limited, Certified Public Accountants, Hong Kong, in respect of the unaudited pro forma financial information of the Group for the sole purpose of inclusion in this prospectus.



國衛會計師事務所有限公司
Hodgson Impey Cheng Limited

31/F, Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF PRO FORMA FINANCIAL INFORMATION INCLUDED IN A
PROSPECTUS****TO THE DIRECTORS OF TITAN PETROCHEMICALS GROUP LIMITED**

We have completed our assurance engagement to report on the compilation of pro forma financial information of Titan Petrochemicals Group Limited (the “Company”) and its subsidiaries (collectively the “Group”) by the directors for illustrative purposes only. The pro forma financial information consists of the pro forma consolidated statement of financial position of the Group as at 31 December 2014, and related notes as set out on pages II -1 to II -7 of the prospectus issued by the Company dated 6 July 2015. The applicable criteria on the basis of which the directors have compiled the pro forma financial information are described in page II -1.

The pro forma financial information has been compiled by the directors to illustrate the impact of the Restructuring on the Group’s financial position as at 31 December 2014 as if the Restructuring had taken place at 31 December 2014. As part of this process, information about the Group’s financial position, has been extracted by the directors from the Group’s consolidated financial statements for the year ended 31 December 2014, on which an audit report has been published.

Directors’ Responsibility for the Pro Forma Financial Information

The directors are responsible for compiling the pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and with reference to Accounting Guideline 7, ‘Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars’ issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements (HKSAE) 3420, 'Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus', issued by the HKICPA. This standard requires that the reporting accountants comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the directors have compiled the pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to Accounting Guideline 7, 'Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars' issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in the prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 31 December 2014 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Wong Sze Wai, Basilia
Practising Certificate Number: P05806
Hong Kong, 6 July 2015

1. RESPONSIBILITY STATEMENT

This prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this prospectus misleading.

2. SHARE CAPITAL

The authorised share capital of the Company as at the Latest Practicable Date are expected to be as follows:

<i>Authorised:</i>		<i>HK\$</i>
Existing		
80,000,000,000	Shares of HK\$0.01 each	800,000,000
<u>555,000,000</u>	Listco Preferred Shares	<u>5,550,000</u>
<u><u>80,555,000,000</u></u>		<u><u>805,550,000</u></u>

The issued share capital of the Company as at the Latest Practicable Date and following the completion of the Restructuring, were and are expected to be as follows:

<i>Issued and fully paid shares:</i>		<i>HK\$</i>
7,820,554,682	Shares in issue as at the Latest Practicable Date	78,205,546.82
20,140,000	New Shares to be issued upon exercise of the Share Options	201,400.00
555,000,000	New Shares to be issued upon conversion of the Listco Preferred Shares	5,550,000.00
3,910,277,341	New Shares to be issued under the Open Offer	39,102,773.41
3,910,277,341	New Shares to be issued upon exercise of the subscription rights of the Warrants under the Open Offer	39,102,773.41
3,100,000,000	New Shares to be issued under the Share Subscriptions	31,000,000.00
3,100,000,000	New Shares to be issued upon the exercise of the subscription rights of the Subscription Warrants under the Share Subscriptions	31,000,000.00
9,382,164,000	New Shares to be issued under the Shipyard Termination Agreement	93,821,640.00
3,595,420,415	New Shares to be issued under the Assumption Agreement	35,954,204.15
1,926,810,834	New Shares to be issued under the Creditors' Scheme	19,268,108.34
3,122,931,542	New Shares to be issued upon the exercise of the Subscription rights of the FELS Warrants	31,229,315.42
<u>40,443,576,155</u>	Total Shares	<u>404,435,761.55</u>

All of the Shares, Offer Shares, Subscription Shares, Shipyard Termination Shares and Assumption Consideration Shares to be issued under (i) the Creditors' Scheme; (ii) Shipyard Termination Agreement; and (iii) Assumption Agreement; the new Shares to be issued upon (a) conversion of Listco Preferred Shares; and (b) exercise of the Share Options; and the Warrant Shares, the Subscription Warrant Shares and FELS Warrant Shares to be issued upon exercise of the Warrants, the Subscription Warrants and FELS Warrants respectively, will rank *pari passu* in all aspects, including all rights as to dividend, voting and interest in capital, among themselves and with all other shares of the Company in issue on the date of issue. Subject to as provided in the Bye-Laws and the applicable laws, the Company shall not alter the rights attached to the Shares to be issued under the Creditors' Scheme, Offer Shares, Subscription Shares, Shipyard Termination Shares, Assumption Consideration Shares, Listco Preferred Shares, Warrant Shares, the Subscription Warrant Shares, FELS Warrant Shares and the new Shares without passing a special resolution by the Shareholders.

As at the Latest Practicable Date, the Company has (i) outstanding Share Options entitling the holders thereof to subscribe for a total of 20,140,000 Shares; (ii) 555,000,000 outstanding Listco Preferred Shares entitling the holder thereof to convert those shares into 555,000,000 Shares based on the conversion ratio of 1:1; and (iii) the Listco Convertible Notes in the outstanding principal amount of US\$47,960,000 entitling holders thereof to convert those notes into 523,483,348 Shares based on the conversion rate of 10,915 Shares per US\$1,000.

Save for the above, no options, warrants, derivatives or any equity or debt securities of the Company or other securities convertible or exchangeable into Shares or any other derivatives was outstanding or is proposed to be issued for cash or otherwise and no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any such capital. None of the equity or debt securities of the Company is listed or dealt in any other stock exchange and listing or permission to deal in the Shares or loan capital of the Company is not being, or proposed to be, sought on any other stock exchange.

The Company has not issued any new Shares since 31 December 2014, being the end of the last financial year. The Shares are listed on the Main Board of the Stock Exchange.

Save as the Authorised Share Capital Increase, as at the Latest Practicable Date, none of the capital of any member of the Group (i) has been altered since 31 December 2014, being the date to which the latest published audited accounts of the Company were made up, or (ii) is under option, or agreed conditionally or unconditionally to be put under option.

As at the Latest Practicable Date, there was no arrangement under which future dividends are waived or agreed to be waived.

3. DISCLOSURE OF INTERESTS

Interests in the Company

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to the Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors contained in the Listing Rules, to be notified to the Company and the Stock Exchange; or (iv) pursuant to the requirement of the Takeovers Code were as follows:

(a) Interests of Directors

Long positions in the Shares:

Shares

Name of Director	Capacity	Number of Shares	Approximate % of shareholding
Mr. Zhao Xu Guang	Interest of controlled corporations	3,600,000,000	46.03

Note: Wahan Investments entered into the Wahan Investments Subscription Agreement with the Company on 6 May 2015. Wahan Investments is wholly owned by Mr. Zhao Xu Guang. By virtue of the SFO, Mr. Zhao is deemed to be interested in the 1,800,000,000 Shares and 1,800,000,000 Subscription Warrants to be held by Wahan Investments.

Options outstanding under the share option scheme of the Company

Name of Director	Capacity	Number of underlying Shares (options granted)	Approximate % of shareholding
Mr. Wong Siu Hung Patrick	Beneficial owner	10,000,000	0.13

Note: Share options carrying rights to subscribe for ordinary shares of the Company were granted on 1 February 2008 pursuant to the share option scheme of the Company adopted in 2002.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company had registered any interest or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as required to be recorded pursuant to Section 352 of the SFO, or as otherwise were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO and the Model Code.

(b) Interests of substantial Shareholders

As at the Latest Practicable Date, so far as is known to the Directors and the chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had an interest or short position in the Shares and underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who are, directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at a general meeting of any member of the Group or had any options in respect of such capital are set out below:

Long positions:

Name	Capacity	Number of shares and underlying shares	Approximate percentage (%) of shareholding (Note 6)
Mr. Tsoi Tin Chun	Interest of controlled corporations	3,556,353,661	45.47
Ms. Tsoi Yuk Yi	Interest of spouse	3,556,353,661 (Note 1)	45.47
Titan Oil Pte Ltd	Interest of a controlled corporation/Beneficial owner	3,556,353,661 (Note 1)	45.47
Great Logistics Holdings Limited	Interest of controlled corporations/Beneficial owner	3,224,477,760 (Note 1)	41.23
Moral Base Investment Limited	Beneficial owner	1,000,000,000	12.79
Mr. Wong Chi Leung	Interest of a controlled corporation/Interest of spouse	1,000,000,000 (Note 2)	12.79
Ms. Wong Kwok Ying	Interest of a controlled corporation/Interest of spouse	1,000,000,000 (Note 2)	12.79
Grand China Logistics Holding (Group) Company Limited	Beneficial owner	500,000,000 (Note 3)	6.39
Haikou Meilan International Airport Co., Ltd.	Interest of controlled corporations	500,000,000 (Note 3)	6.39

Name	Capacity	Number of shares and underlying shares	Approximate percentage (%) of shareholding (Note 6)
Hainan Development Holdings Co., Ltd.	Interest of controlled corporations	500,000,000 (Note 3)	6.39
He Xiaoqun	Interest of controlled corporations	45,967,286,141 (Note 4)	587.77%
Liang Wei	Interest of controlled corporations	45,967,286,141 (Note 4)	587.77%
Xia Yingyan	Interest of controlled corporations	45,967,286,141 (Note 4)	587.77%
Hainan Li Jin Investment Company Limited	Interest of controlled corporations	45,967,286,141 (Note 4)	587.77%
Zhuhai Zhenrong Company	Interest of controlled corporations	45,967,286,141 (Note 4)	587.77%
GZE	Interest of controlled corporations/Beneficial owner	7,477,026,002 12,977,584,415 (Note 4)	261.55%
	Interest of controlled corporations	555,000,000 Listco Preferred Shares	100%
Fame Dragon	Beneficial owner	7,477,026,000	261.55%
Wang Jianqing	Interest of controlled corporations	2,600,000,000 (Note 5)	33.25%
Cheng Xu	Interest of spouse	2,600,000,000 (Note 5)	33.25%
Victory Stand	Beneficial owner	2,600,000,000	33.25%
Wahen Investments	Beneficial owner	3,600,000,000	46.03%
DBIL	Beneficial owner	555,000,000 Listco Preferred Shares	100%

Note 1: Among these interest, 332,514,799 shares were held by Titan Shipyard Investment Company Limited (“TSICL”) and 31,262,759 shares were held by Vision Jade Investments Limited (“Vision Jade”). TSICL and Vision Jade were wholly-owned subsidiaries of Great Logistics Holdings Limited (“Great Logistics”) which held 2,860,700,202 shares and which, in turn, was a wholly-owned subsidiary of Titan Oil. Titan Oil directly held 331,875,901 shares and Titan Oil Pte Ltd (“Titan Oil”) was owned as to 95% by Mr. Tsoi Tin Chun (“Mr Tsoi”) and as to 5% by Ms. Tsoi Yuk Yi (“Ms. Tsoi”), the spouse of Mr. Tsoi.

By virtue of the SFO, Mr. Tsoi and Ms. Tsoi were deemed to be interested in the shares of the Company held by Titan Oil, Great Logistics, TSICL and Vision Jade as at the Latest Practicable Date.

On 30 August 2012, (i) Titan Oil, Great Logistics, TSICL and Vision Jade (all of which were beneficially owned by Mr. Tsoi, a director of the Company at the time, and his spouse and referred to below as the “Tsoi Companies”) entered into four sale and purchase agreements with Fame Dragon, in relation to the sale by the Tsoi Companies of an aggregate of 3,556,353,661 ordinary shares of the Company, and (ii) the irrevocable voting proxies in respect of the 3,556,353,661 ordinary shares of the Company were given by the Tsoi Companies in favour of Fame Dragon.

Note 2: Pursuant to the SFO, Mr. Wong Chi Leung (“Mr. Wong”) and Ms. Wong Kwok Ying (“Ms. Wong”), spouse of Mr. Wong, were deemed to be interested in shares of the Company held by Moral Base Investment Limited (“Moral Base”), which was legally and beneficially owned as to 50% by Mr. Wong and as to 50% by Ms. Wong.

Note 3: Based on the disclosure of interests notices filed with the Stock Exchange on 23 December 2010, Grand China Logistics Holding (Group) Company Limited (“Grand China Logistics”) was interested in 500,000,000 shares of the Company.

Pursuant to the SFO, as Haikou Meilan International Airport Co., Ltd. (“Haikou Meilan”) together with its fellow corporations namely Yangtze River Investment Holding Co., Ltd. and Bohai International Trust Co., Ltd. were interested in more than one-third of the equity interest in Grand China Logistics, Haikou Meilan was deemed to be interested in the shareholding interest of Grand China Logistics in the Company.

Pursuant to the SFO, as Hainan Development Holdings Co., Ltd (“Hainan Development”) together with its fellow corporations namely Grand China Air Co., Ltd. and Hainan Airlines Co., Ltd., which in turn were interested in more than one-third of the equity interest in Haikou Meilan, Hainan Development was deemed to be interested in the shareholding interests of Grand China Logistics in the Company.

Grand China Logistics, Haikou Meilan and Hainan Development were deemed to be ceased to have interests in the ordinary shares of the Company. Due to the failure of Grand China Logistics to make stage payments when they fell due under a sale and purchase agreement dated 11 December 2010, the condition was not satisfied on or before the long stop date in December 2011 and the subscription agreement dated 11 December 2010 has lapsed.

Note 4: Zhuhai Zhen Rong Company (a PRC state-owned enterprise) and Hainan Li Jin Investment Co., Ltd. (“Hainan Li Jin”) were interested in 44.3% and 35% respectively in the share capital of GZE, and were deemed under the SFO to be interested in the shares in which GZE had an interest. Hainan Li Jin was owned as to 34% by Xia Ying Yan, as to 33% by He Xiao Qun and as to 33% by Liang Wei.

Fame Dragon is wholly owned by Guangdong Zhenrong (Hong Kong) Company Limited which in turn is wholly-owned by GZE. Fame Dragon agreed under four sale and purchase agreements signed with TSICL, Vision Jade, Great Logistics and Titan Oil (collectively, the “Vendors”) to acquire in aggregate 3,556,353,661 ordinary shares and the Vendors had given irrevocable proxies to Fame Dragon so that the voting rights of such shares had been transferred to Fame Dragon on 30 August 2012.

Under a subscription agreement entered into between the Company and GZE, GZE agreed to subscribe for, 3,461,093,248 new non-voting participating convertible preferred shares (“Preferred Shares A”) and provide an equity line by subscribing 780,000,000 new non-voting participating convertible preferred shares (“Preferred Shares B”). Consequently, GZE

was deemed under the SFO to be interested in aggregate of 45,967,286,141 shares, comprising 3,556,353,661 ordinary shares, 3,461,093,248 Preferred Shares A and 780,000,000 Preferred Shares B.

At the special general meeting held on 28 February 2013, all the ordinary resolutions and special resolutions to approve, *inter alias*, the subscription agreement were not passed. As such, GZE were deemed to be ceased to have interests in 3,461,093,248 Preferred Shares A and 780,000,000 Preferred Shares B.

Fame Dragon entered into the Underwriting Agreement and is deemed to be interested in the Shares to be issued.

In addition, GZE entered into Assumption Agreement and the Shipyard Termination Agreement and is deemed to be interested in the Shares to be issued under the Assumption Agreement and Shipyard Termination Agreement.

Note 5: On 27 March 2015, Victory Stand Limited entered into the Victory Stand Subscription Agreement with the Company. Victory Stand is wholly-owned by Mr. Wang Jianqing. Ms. Cheng Xu is the spouse of Mr. Wang Jianqing. As such, Victory Stand, Mr. Wang Jianqing and Ms. Cheng Xu are deemed to be interested in 1,300,000,000 Shares and 1,300,000,000 Subscription Warrants to be issued under the Victory Stand Subscription Agreement.

Note 6: Based on 7,820,554,682 ordinary shares of the Company issued as at the Latest Practicable Date.

Save as disclosed above, the Directors and the chief executive of the Company are not aware that there is any person (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at a general meeting of any other member of the Group.

Other interests in the Company

As at the Latest Practicable Date,

- a) neither the Company or any Directors had borrowed or lent any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares; and
- b) no person had prior to the posting of this prospectus, irrevocably committed himself/herself/itself to take up Shares to be provisionally allotted under the Open Offer.

4. DIRECTORS' INTERESTS IN ASSET AND CONTRACTS

As at the Latest Practicable Date, none of the Directors had: (a) any direct or indirect interests in any assets which have been since 31 December 2014 (being the date to which the latest published audited accounts of the Group were made up) acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group; and (b) any subsisting material interest in any contract or arrangement which is significant in relation to the business of the Group.

5. MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business, were entered into by the Group within 2 years immediately preceding the date of this prospectus and up to the Latest Practicable Date, which are or may be material:

- (a) 2015 Loan Agreement;
- (b) Assumption Agreement;
- (c) CGL Resources Subscription Agreement;
- (d) Deed of Undertaking;
- (e) First Wahren Investments Subscription Agreement;
- (f) Frontline Settlement Agreement;
- (g) FTSD Purchase Order Framework Agreement;
- (h) GZE Excess Liabilities Undertaking;
- (i) GZE Purchase Order MOU;
- (j) Haixin Debt Rescheduling Agreement;
- (k) K-Line Settlement Agreement;
- (l) K-Line Support Agreement;
- (m) Listco Preferred Shares Modification Deed;
- (n) Loan Rescheduling Agreements;
- (o) Management Services Agreement;
- (p) New Berkely Subscription Agreement;
- (q) Second Loan Agreement;
- (r) Shipyard Debt Rescheduling Agreement;
- (s) Shipyard Termination Agreement;
- (t) Supplemental Second Loan Agreement;
- (u) TPG Debt Rescheduling Agreement;

- (v) Underwriting Agreement;
- (w) Victory Stand Subscription Agreement;
- (x) Wahlen Investments Subscription Agreement; and
- (y) Working Capital Loan Agreement.

6. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with the Company or any member of the Group (excluding contracts expiring or determinable by the Group within one year without payment of compensation (other than statutory compensation)).

7. LITIGATION

Bermuda Proceedings

Saturn Petrochemical filed a petition for the winding-up of the Company on 9 July 2012 (Bermuda time) (the “SPHL Petition”). The SPHL Petition was subsequently struck out by the Bermuda Court, and Camden was substituted as the petitioner in place of Saturn Petrochemical upon its application to the Bermuda Court. Camden sought to be substituted as a petitioner following the referral of certain disputes between Camden, Edinburgh and Mayfair, the Company and TSL to arbitration.

On 18 October 2013 (Bermuda time), the Bermuda Court ordered the appointment of the Provisional Liquidators to the Company to, amongst other powers and duties, consider the terms of any schemes of arrangement proposed by the Company and to assess the feasibility of any restructuring proposal of the Company.

The hearing of the winding up petition by Camden has been adjourned on numerous occasions; the latest adjournment being until 3 July 2015 (Bermuda time).

In addition, at a hearing on 6 March 2015, the Company obtained orders from the Bermuda Court extending the long-stop date of the Creditors’ Scheme to 31 July 2015 and approve entry into the 2015 Loan Agreement.

Upon the successful resumption and trading of the Shares and completion of the Restructuring, the Provisional Liquidators will be discharged and the winding up petition will be dismissed or withdrawn by Camden.

BVI Proceedings

On 18 June 2012 (BVI time), Saturn Storage filed an application with the BVI Court to liquidate TGIL.

On 17 July 2012 (BVI time), the BVI Court ordered the liquidation of TGIL and that Russell Crumpler of KPMG (BVI) Limited, Edward Middleton and Patrick Cowley of KPMG be appointed as joint and several liquidators of TGIL with standard powers under the BVI Insolvency Act 2003. The fourth liquidator, Stuart Mackellar of Zolfo Cooper (BVI) Limited, was appointed with limited powers.

On 18 July 2012 (BVI time), TOSIL, a wholly-owned subsidiary of the Company and a shareholder of TGIL, filed a notice of appeal at the BVI Court of Appeal against the liquidation order.

The liquidators of TGIL have made a number of distributions to creditors of TGIL, but continue to hold such funds until such time as certain tax liabilities can be determined.

The Company, TGIL, TOSIL and Saturn Storage have been in negotiations on the Hong Kong Proceedings (discussed below) and the BVI Proceedings. The negotiations are in advance stages. It is expected that, pending settlement of the Hong Kong proceedings as discussed below, the Company will withdraw the appeal against the liquidation order before the BVI Court of Appeal.

Hong Kong Proceedings

On 19 July 2012, Saturn Storage initiated proceedings in the Hong Kong High Court against the Company and other parties including TOSIL and two directors of the Company in respect of, among other things, (i) the breach of the amended and restated investor rights agreement in respect of TGIL dated 17 July 2009; and (ii) misrepresentations regarding the financial position of TGIL, and its subsidiaries.

The Company and TOSIL have been in advance stages of negotiations with Saturn Storage with a view to reaching a settlement with Saturn Storage relating to the proceedings. It is expected that settlement will be reached shortly, failing which the Company and TOSIL will consider making an application to strike out the claims from Saturn Storage in these Hong Kong Proceedings.

The Hong Kong High Court fixed a second case management conference for hearing on 21 November 2014. On 17 November 2014, the Hong Kong High Court ordered (by consent) that (i) the second case management conference due to be heard on 21 November 2014 be vacated and adjourned to 13 March 2015; and (ii) all further proceedings be stayed until 16 January 2015. Thereafter, on 12 March 2015, the Hong Kong High Court ordered (by consent) that (i) the second case management conference due to be heard on 13 March 2015 be vacated and adjourned to 7 July 2015; and (ii) all further proceedings to be stayed until 30 April 2015. On 19 June 2015, the Hong Kong High Court ordered (by consent) that (i) the second case management conference fixed to be heard on 7 July 2015 be vacated; and (ii) all future proceedings be stayed until 6 September 2015 pending finalisation of the global settlement among the parties.

The Company has obtained the permission from the Bermuda Court to enter into a deed of settlement with Saturn Storage and other relevant parties relating to the Hong Kong Proceedings on 12 December 2014. The deed of settlement is pending on the signatures of all parties.

PRC Proceedings

On 30 May 2012, TPFL received a summons issued by Shanghai Intermediate Court with Grand China Logistics as plaintiff and the Company, TQSL Holding and TPFL as defendants, that sought an order for, among other things, termination of the Shipyard Sale and Purchase Agreement and repayment to Grand China Logistics of an aggregate of RMB740 million together with accrued interest or for the Company to fulfil its obligation under its guarantee to repay such amount.

On 23 August 2012, TPFL filed a statement of counterclaim against Grand China Logistics with the Shanghai Intermediate Court to seek, amongst other remedies, specific performance by Grand China Logistics of the Shipyard Sale and Purchase Agreement.

On 10 June 2013, the Company received a notification from Grand China Logistics dated 7 June 2013 informing the Company that it had entered into an assignment with GZE pursuant to which it would assign to GZE all of its interests, rights and obligations in respect of the Shipyard Sale and Purchase Agreement.

On 23 December 2013, the Shanghai Intermediate Court ordered the discontinuation of the proceedings in relation to the counterclaim lodged by TPFL against Grand China Logistics on the grounds that, following such assignment, Grand China Logistics was no longer the appropriate defendant for the counterclaim as it had transferred all its interests, rights and obligations in respect of the Shipyard Sale and Purchase Agreement to GZE. On 26 December 2013, the Shanghai Intermediate Court approved the application by Grand China Logistics to the withdrawal of the claim initiated by Grand China Logistics against the Company, TQSL Holding and TPFL in relation to the Shipyard Sale and Purchase Agreement.

8. EXPERTS AND CONSENTS

The following is the qualifications of the experts who have given opinion or advice which is contained in this prospectus:

Name	Qualification
HLB Hodgson Impey Cheng Limited ("HLB")	Certified Public Accountants

HLB has given and has not withdrawn its consent to the issue of this prospectus with the inclusion of its report(s) or letter(s), as the case may be, and reference to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, HLB was not beneficially interested in the share capital of any member of the Group, nor did they have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any members of the Group nor did they have any interest, either direct or indirect, in any assets which had been since 31 December 2014 (being the date to which the latest published audited accounts of the Group were made up) acquired or disposed of by or leased to or were proposed to be acquired or disposed of by or leased to any member of the Group.

9. CORPORATE INFORMATION AND PARTIES INVOLVED

The Company Name	Titan Petrochemicals Group Limited (Provisional Liquidators appointed)
Registered office	Clarendon House 2 Church Street Hamilton HM11 Bermuda
Head office and principal place of business	4902 Sun Hung Kai Centre 30 Harbour Road Wanchai Hong Kong

Legal advisers

DLA Piper Hong Kong
17th Floor, Edinburgh Tower,
The Landmark,
15 Queen's Road,
Central, Hong Kong

Reed Smith Richards Butler
20th Floor, Alexandra House
18 Chater Road, Central
Hong Kong

Marshall Diel & Myers Limited
31 Reid Street
Hamilton HM12
Bermuda

Conyers Dill & Pearman
2901 One Exchange Square
8 Connaught Place
Central
Hong Kong

Beijing B&D (Guangzhou) Law Firm
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689 Tianhe Beilu, Tianhe District,
Guangzhou, China

TSMP LAW CORPORATION
6 Battery Road
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Singapore 049909

DLA Piper UK LLP
3 Noble Street
London
EC2V 7EE
United Kingdom

Auditor

HLB Hodgson Impey Cheng Limited
Certified Public Accountants
31/F, Gloucester Tower,
The Landmark,
11 Pedder Street, Central,
Hong Kong

Principal bankers

Bank of China
Bank of China Tower,
1 Garden Road, Central,
Hong Kong

China Construction Bank Huian Branch
Huiming Building,
Da Hong Bu, Luoyang Town,
Huian County, Quanzhou City,
Fujian Province,
China

Industrial and Commercial Bank of
China Limited Huian Branch
29 Huixing Road,
Huian County, Quanzhou City,
Fujian Province,
China

The Hongkong and Shanghai Banking
Corporation Limited
1 Queen's Road Central,
Hong Kong

Shanghai Pudong Development Bank
Co., Ltd. Fuzhou Branch,
222 Hu Dong Road,
Gulou District, Fuzhou City,
Fujian Province,
China

Hong Kong Branch Registrar

Tricor Tengis Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

**Principal share registrars and
transfer office**

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

Authorised representatives

Mr. Fu Yong Yuan
4902, 49/F
Sun Hung Kai Centre
30 Harbour Road
Wanchai, Hong Kong

Mr. Wong Siu Hung, Patrick
4902, 49/F
Sun Hung Kai Centre,
30 Harbour Road
Wanchai, Hong Kong

Company secretary

Ms. Hui Wai Man Shirley *FCCA & FCIS*

Underwriter

Winford Hong Kong Investment Limited

10. PARTICULARS OF DIRECTORS

- (a) The business addresses of the Directors are set out below:

Executive Directors

Mr. Zhao Xu Guang
4902, 49/F
Sun Hung Kai Centre
30 Harbour Road
Wanchai, Hong Kong

Mr. Tang Chao Zhang
4902, 49/F
Sun Hung Kai Centre
30 Harbour Road
Wanchai, Hong Kong

Mr. Wong Siu Hung, Patrick
4902, 49/F
Sun Hung Kai Centre
30 Harbour Road
Wanchai, Hong Kong

Mr. Fu Yong Yuan
4902, 49/F
Sun Hung Kai Centre
30 Harbour Road
Wanchai, Hong Kong

Non-executive Directors

Mr. Fan Qinghua	4902, 49/F Sun Hung Kai Centre 30 Harbour Road Wanchai, Hong Kong
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Mr. Hu Zhong Shan	4902, 49/F Sun Hung Kai Centre 30 Harbour Road Wanchai, Hong Kong
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Independent non-executive Directors

Mr. Foo Meng Kee	4902, 49/F Sun Hung Kai Centre 30 Harbour Road Wanchai, Hong Kong
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Mr. Lau Fai Lawrence	4902, 49/F Sun Hung Kai Centre 30 Harbour Road Wanchai, Hong Kong
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Mr. Lau Yiu Kit	4902, 49/F Sun Hung Kai Centre 30 Harbour Road Wanchai, Hong Kong
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- (b) The brief biographies of the Directors are set out below:

Executive Directors

Mr. Zhao Xu Guang (*Chairman and Chief Executive*), aged 51, has been chairman of the Board and an executive Director since 3 July 2012 and was appointed as the Chief Executive of the Company with effect from 23 October 2014. He is responsible for the strategic development of business and operations of the Group's business as well as the organisation structure and the team development. He is currently a co-chairman of 中國富強基金會有限公司 (China Fortune Foundation Limited). From 1987 to 1991, he worked for 中華人民共和國商務部 (the Ministry of Commerce of the People's Republic of China, formerly known as the Ministry of Foreign Economic Relations and Trade in 1982 which was further renamed the Ministry of Commerce of the People's Republic of China in 2003). In the past, he has acted as general manager, chairman and director of various enterprises specializing in trading, investment, property and in the energy field. Mr. Zhao has more than 20 years of working experience in corporate management, securities investment, corporate merger and restructuring and commercial disputes. He graduated from Guangdong University of Foreign Studies with a Bachelor of Economics degree.

Save as disclosed above, Mr. Zhao has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Mr. Zhao is interested in 1,800,000,000 Shares and 1,800,000,000 Subscription Warrants to be issued under the Wahan Investments Subscription Agreement. Save as disclosed above, Mr. Zhao does not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company, nor any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Tang Chao Zhang, aged 40, has been appointed as an executive Director since 26 March 2013. He was the Chief Executive of the Company from 26 March 2013 to 23 October 2014. He was a vice-president of Guangdong Zhenrong Energy Co., Ltd and is currently a director of Fame Dragon International Investment Limited. From 2008 to 2011, Mr. Tang took up the role of vice-president of 廣東振戎石油化工有限公司 (Guangdong Zhenrong Petrochemical Co., Ltd). He is also a director of 雲南振戎潤德珠寶有限公司 (Yunnan Zhenrong Runde Jewellery Ltd). Mr. Tang graduated from Guangdong University of Foreign Studies with a Bachelor of Arts degree in International Marketing.

Save as disclosed above, Mr. Tang Chao Zhang has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Save as disclosed above, Mr. Tang Chao Zhang does not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company, nor any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Wong Siu Hung Patrick, aged 59, has been an executive Director since 7 May 2008. Mr. Wong has more than 30 years of working experience in banking, finance, commodity trading and project development. Prior to joining the Company, Mr. Wong was senior vice president of Commodity and Trade Finance at Societe Generale in Singapore and worked at commodity trading firms such as Louis Dreyfus where he was chief executive officer of China. Mr. Wong is an Associate Member of the Chartered Institute of Bankers, United Kingdom and holds a master degree in Applied Finance from Macquarie University, Australia.

Save as disclosed above, Mr. Wong Siu Hung Patrick has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Mr. Wong Siu Hung Patrick is interested in 10,000,000 share options of the Company. Save as disclosed above, Mr. Wong Siu Hung Patrick does not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company, nor any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Fu Yong Yuan, aged 59, was appointed as an Executive Director on 3 July 2012 and the chairman of Titan Quanzhou Shipyard Co., Ltd. in August 2012. He was a general manager of Rojam Entertainment Holdings Limited. Mr. Fu has over 40 years of experience in shipping and freight management. He served in COSCO System for two decades from 1972 to 1992. Mr. Fu worked for 廣州遠洋運輸公司 (COSCO Guangzhou) and was responsible for managing of freight, container transportation and vessel chartering operations. He was a general manager of 中遠系統福星航運企業有限公司廣州分公司 (COSCO FuXing Shipping Enterprises Limited Guangzhou Branch) and a general manager and executive director of 廣東華銓船務有限公司 (Guangdong HuaQuan Shipping Limited). Mr. Fu, a marine engineer and an economist for the shipping management, graduated from Guangdong Province Economics Management Institute majoring in Industrial Economic Management.

Save as disclosed above, Mr. Fu Yong Yuan has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Save as disclosed above, Mr. Fu Yong Yuan does not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company, nor any interests in the Shares within the meaning of Part XV of the SFO.

Non-executive Directors

Mr. Fan Qinghua, aged 53, was appointed as a non-executive Director of the Company on 26 March 2013. He is currently a director and deputy general manager of Guangdong Zhenrong Energy Co., Ltd, and a director of Fame Dragon International Investment Limited. From 1992 to 1995, he joined 珠海東大集團公司 (Zhuhui Dongda Group) in the capacity of manager of the finance department and assistant general manager. From 1995 to 1998, he was a senior deputy general manager of 珠海九豐阿科能源有限公司 (Zhuhai Jovoarco Energy Ltd). Mr. Fan is also the chairman of the trade union of Guangdong Zhenrong Energy Co., Ltd, and a director of 上海市振戎石油有限公司 (Shanghai Zhenrong Petroleum Co., Ltd), 廣東晟戎能源有限公司 (Guangdong Shengrong Energy Co., Ltd) and 新華(大慶)商品交易所有限公司 (Xinhua Commodity Exchange Co., Ltd). Mr. Fan studied Economic Management and graduated from Henan Normal University.

Save as disclosed above, Mr. Fan Qinghua has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Save as disclosed above, Mr. Fan Qinghua does not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company, nor any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Hu Zhong Shan, aged 60, was appointed as a non-executive Director on 29 August 2012 and was appointed as a member of the remuneration committee on 5 February 2013 and a member of the audit committee on 23 March 2015. He is currently the chairman of 亞洲興業發展有限公司 (Asian Inc. Development Limited). He was also a general manager of 海南柯達彩擴中心 (Hainan Keda Cai Kuo Centre), a vice president of 誠成企業集團(中國)有限公司 (Cheng Cheng Enterprises Group Co., Ltd. (China)), a director of 誠成文化股份有限公司 (Cheng Cheng Culture Inc) and a chairman of 健發控股有限公司 (Jian Fa Holdings Limited). He specializes in PRC legal affairs and commercial dispute resolutions. Mr. Hu studied law at the Wuhan Executive School of Management.

Save as disclosed above, Mr. Hu Zhong Shan has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Save as disclosed above, Mr. Hu Zhong Shan does not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company, nor any interests in the Shares within the meaning of Part XV of the SFO.

Independent non-executive Directors

Mr. Foo Meng Kee, aged 65, was appointed as an independent Non-executive Director on 27 December 2013 and is also the chairman of the remuneration committee and a member of each of the audit committee and the nomination committee. Mr. Foo served in Hitachi Zosen Singapore Ltd. from 1976 to 1998 and he successfully led the listing of the company on the main board of the Singapore Exchange in 1992. Currently, he is the principal owner and the managing director of MK Capital Pte Ltd and MK Marine Pte Ltd. He also holds directorships in the following companies listed on Singapore Exchange: Sinarmas Land Limited and Lee Metal Group Ltd, being the independent director and chairman of audit committee; and Jiutian Chemical Group Limited, being the non-executive and independent director. Mr. Foo is currently an Independent Non-Executive Director of Courage Marine Group Limited, a company listed on the Hong Kong Stock Exchange and Singapore Exchange. During the period from January 2006 to August 2013, he was the independent director and chairman of nominating committee of See Hup Seng Limited. Mr. Foo obtained a Bachelor of Commerce (Honours) from Nanyang University of Singapore in 1973, and a Master of Business Administration from University of Dubuque, USA, in 1990.

Save as disclosed above, Mr. Foo Meng Kee has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Save as disclosed above, Mr. Foo Meng Kee does not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company, nor any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Lau Fai Lawrence, aged 43, was appointed as an independent non-executive Director on 13 March 2014 and is also the chairman of the audit committee and a member of the remuneration committee. Mr. Lau is currently a practising certified public accountant in Hong Kong, a member of the Institute of Chartered Accountants in England and Wales and a fellow member of the Association of Chartered Certified Accountants in the UK. Mr. Lau graduated from the University of Hong Kong with a bachelor's degree in business administration in 1994 and obtained a master's degree in corporate finance from Hong Kong Polytechnic University in 2007. Mr. Lau is the company secretary of BBMG Corporation, a company listed on the main board of the Stock Exchange. Mr. Lau is an executive director of China For You Group Company Limited and an independent non-executive director of Artini China Co. Ltd., both companies are listed on the main board of the Stock Exchange.

Save as disclosed above, Mr. Lau Fai Lawrence has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Save as disclosed above, Mr. Lau Fai Lawrence does not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company, nor any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Lau Yiu Kit, aged 55, was appointed as an independent non-executive Director on 23 March 2015 and is also a member of the audit committee and a member of the nomination committee, is currently a practising certified public accountant in Hong Kong, a member of the Institute of Chartered Accountants in England and Wales and a member of the Association of Chartered Certified Accountants in Hong Kong and a member of the Taxation Institute of Hong Kong. Mr. Lau is an independent non-executive director of Artini China Co. Ltd. (Stock Code: 789), which is listed on the main board of the Stock Exchange.

Save as disclosed above, Mr. Lau Yiu Kit has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Save as disclosed above, Mr. Lau Yiu Kit does not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company, nor any interests in the Shares within the meaning of Part XV of the SFO.

11. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or proposed Directors and/or their respective associates (as defined under the Listing Rules) was considered to have an interest in a business which competes or is likely to complete, either directly or indirectly, with the business of the Group other than those businesses to which the Directors and their respective associates (as defined under the Listing Rules) were appointed to represent the interests of the Company and/or the Group.

12. EXPENSES

The professional costs and expenses incurred in connection with the Open Offer, (including but not limited to the printing, registration, translation, financial advisory and legal fee and accountancy charges) are estimated to amount to approximately HK\$23.3 million and are payable by the Company.

13. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of the Prospectus Documents and the consent letter referred to in the paragraph headed “Expert and Consent” in this appendix have been registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32).

14. BINDING EFFECT

The Prospectus Documents and all acceptances of any offer or application contained in such documents, are governed by and shall be construed in accordance with the laws of Hong Kong. When an acceptance or application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all persons concerned bound by the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32), so far as applicable.

15. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours from 9:30 a.m. to 5:30 p.m. on any business day (except public holiday and with prior notice) at the principal office of business of the Company in Hong Kong at 4902 Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong from the date of this prospectus up to and including the Latest Acceptance Date.

- (i) memorandum of association and the Bye-Laws of the Company;
- (ii) the annual reports of the Company for the financial years ended 31 December 2012, 2013 and 2014;
- (iii) the unaudited pro forma financial information of the Group as set out in Appendix II to this prospectus;
- (iv) the report from HLB Hodgson Impey Cheng Limited on unaudited pro forma financial information of the Group as set out in Appendix II to this prospectus;
- (v) the written consents referred to in the paragraph headed “Expert and Consents” in this appendix;
- (vi) all material contracts referred to in the paragraph headed “Material Contracts” in this appendix;
- (vii) the Circular; and
- (viii) the Prospectus Documents.

16. GENERAL

If there is any inconsistency between the Chinese name of PRC entities, departments, facilities or titles mentioned in this prospectus and their English translation, the Chinese version shall prevail. Other than that, the English text of this prospectus shall prevail over the Chinese text in the case of inconsistency.