

To: Business Editor
[For immediate release]

COSTIN 海東青新材料集團有限公司*
COSTIN NEW MATERIALS GROUP LIMITED

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COSTIN Announces Subscription Results
Hong Kong Public Offer approximately 3.78 times oversubscribed

Offer Price set at HK\$2.38 per Share
Trading debut on 21 June

[18 June, 2010, Hong Kong] **COSTIN New Materials Group Limited** (“**COSTIN**” or the “**Company**”, together with its subsidiaries, the “**Group**”, HKEx Stock Code: 2228), today announced its Hong Kong Public Offer has received approximately 3.78 times oversubscription.

COSTIN offers an aggregate of 240,000,000 Shares in its global offering, comprising 200,000,000 New Shares and 40,000,000 Sale Shares. The final Offer Price has been set at HK\$2.38 per Share. After deducting related underwriting fees and expenses, the net proceeds of the global offering are approximately HK\$441.5 million. Dealings in the Company’s Shares on the Main Board of The Stock Exchange of Hong Kong Limited (“HKEx”) are expected to commence on Monday, 21 June 2010. The Shares, with the stock code 2228, will be traded in a board lot of 1,000 Shares each.

Guotai Junan Capital Limited is the Sole Sponsor while Guotai Junan Securities (Hong Kong) Limited is the Sole Global Coordinator, Bookrunner and Lead Manager.

COSTIN, one of the fast growing enterprises in PRC, is located at Jinjiang, Fujian Province which mainly focuses on research and development, production and sales of non-woven fabrics and chemical fibres which are mainly targeted for industrial applications. The Group manufactures various functional non-woven fabrics and chemical fibres developed from recycled materials. COSTIN’s non-woven fabrics provide various functions including liquid repellency, washability, filtering, stretch and cushioning and are widely applied as raw materials for the manufacture of footwear, apparels, apparel lining, texture products, hand-bag and suitcase lining, household decoration and filters, etc.. The chemical fibres produced by the Group are recycled polyester staple fibres, which can be widely used as raw materials for production of synthetic leather, shoe materials and non-woven fabrics.

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The Founder, Chairman and Executive Director of COSTIN, Mr. Chim Wai Kong, said, “We are glad to receive massive investors’ supports. Our mission is to become one of the leading enterprises in the non-woven new materials of chemical fibres industry of the PRC. With the competitive advantages, we are poised to capture the market opportunities brought by the low-carbon economy and maintain stable business growth, striving to achieve satisfactory returns for our shareholders.”

** For identification purposes only*

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Issued by Porda International (Finance) PR Company Limited for and on behalf of **COSTIN New Materials Group Limited**. For further information, please contact:

Porda International (Finance) PR Company Limited

Ms. Harriet Lau	+852 3150 6761	harriet.lau@pordafinance.com.hk
Ms. Kylie Yeung	+852 3150 6770	kylie.yeung@pordafinance.com.hk
Ms. Cara Pang	+852 3150 6736	cara.pang@pordafinance.com.hk
Ms. Christine Fong	+852 3150 6755	christine.fong@pordafinance.com.hk

Fax : +852 3150 6728