

SHARE CAPITAL

The authorised and issued share capital of the Company are as follows:

<i>Authorised:</i>		<i>HK\$</i>
<u>500,000,000</u>	Shares	<u>5,000,000</u>
<i>Issued and to be issued, fully paid or credited as fully paid:</i>		
2,000,000	Shares in issue as at the date of this prospectus	20,000
42,000,000	Shares to be issued pursuant to the Placing (before any exercise of the Offer Size Adjustment Option) (<i>Note</i>)	420,000
<u>124,000,000</u>	Shares to be issued pursuant to the Capitalisation Issue	<u>1,240,000</u>
<u>168,000,000</u>	Shares (before any exercise of the Offer Size Adjustment Option) (<i>Note</i>)	<u>1,680,000</u>

Note:

If the Offer Size Adjustment Option is exercised in full, then 6,300,000 additional Shares will be issued resulting in a total issued share capital of 174,300,000 Shares with an aggregate nominal value of HK\$1,743,000.

Minimum public float

Pursuant to Rule 11.23(1) of the GEM Listing Rules, at the time of listing and at all times thereafter, the Company must maintain the “minimum prescribed percentage” of its issued share capital in the hands of the public which, in the case of the Company, must not be less than 25%.

Assumptions

This table assumes that the Placing and the Capitalisation Issue become unconditional. It takes no account of any Shares which may be allotted and issued upon the exercise of options which have been or may be granted under the Share Option Schemes, or which may be allotted and issued under the general mandate to allot, issue and deal with Shares (see below), or which may be purchased by the Company pursuant to the general mandate to repurchase securities (see below).

Ranking

The Placing Shares will rank *pari passu* in all respects with all Shares in issue or to be issued as mentioned in this prospectus (except for the entitlement under the Capitalisation Issue) and, in particular, will qualify for all dividends or other distributions declared, paid or made on the Shares after the date of this prospectus.

Share Option Schemes

The Company has adopted the Pre-IPO Share Option Scheme and conditionally adopted the Post-IPO Share Option Scheme, a summary of the principal terms of the Share Option Schemes are set out in the paragraph headed “Share Option Schemes” in Appendix V to this prospectus.

The number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Schemes and any other share option schemes of the Company must not exceed 30% of the issued share capital of the Company from time to time.

General mandate to allot and issue new Shares

The Directors have been granted a general mandate to allot, issue and deal with Shares in the share capital of the Company with a total nominal amount of not more than the sum of:

- 20% of the total nominal amount of the share capital of the Company in issue immediately following completion of the Placing and the Capitalisation Issue and the exercise (if any) of the Offer Size Adjustment Option; and
- the total amount of share capital of the Company repurchased by the Company (if any) pursuant to the general mandate to repurchase Shares granted to the Directors referred to below.

The Directors may, in addition to the Shares which they are authorised to issue under this general mandate, allot, issue or deal with Shares under a rights issue, scrip dividend scheme or similar arrangement, or on the exercise of any options granted under the Share Option Schemes.

This mandate will expire:

- at the conclusion of the next annual general meeting of the Company; or
- the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable Cayman Islands law to be held; or
- when the authority given to the Directors was revoked or varied or renewed by ordinary resolution of shareholders of the Company in general meeting of the Company,

whichever is the earliest.

For further details of this general mandate, please refer to the paragraph headed “Written resolutions of all shareholders of the Company passed on 8 September 2005” under the paragraph headed “Further information about the Company” in Appendix V to this prospectus.

General mandate to repurchase Shares

The Directors have been granted a general mandate to exercise all the powers of the Company to repurchase Shares with a total nominal amount of not more than 10% of the total nominal amount of the share capital of the Company in issue immediately following completion of the Placing and the Capitalisation Issue and the exercise (if any) of the Offer Size Adjustment Option.

This general mandate only relates to repurchases made on GEM, or any other stock exchange on which the Shares are listed (and which is recognised by the Hong Kong Securities and Futures Commission and the Stock Exchange for this purpose), and which are made in accordance with the GEM Listing Rules. A summary of the relevant GEM Listing Rules is set out in the paragraph headed “Repurchase by the Company of its own securities” under the paragraph headed “Further information about the Company” in Appendix V to this prospectus.

This mandate will expire:

- at the conclusion of the next annual general meeting of the Company; or
- the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable Cayman Islands law to be held; or
- when the authority given to the Directors was revoked or varied or renewed by ordinary resolution of shareholders of the Company in general meeting of the Company,

whichever is the earliest.

For further details of this general mandate, please refer to the paragraph headed “Written resolutions of all shareholders of the Company passed on 8 September 2005” under the paragraph headed “Further information about the Company” in Appendix V to this prospectus.