

INFORMATION ABOUT THIS PROSPECTUS AND THE PLACING

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This prospectus contains particulars given in compliance with the Companies Ordinance, the Securities and Futures (Stock Market Listing) Rules and the GEM Listing Rules for the purposes of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief:

1. the information contained in this prospectus is accurate and complete in all material respects and not misleading;
2. there are no other matters the omission of which would make any statement in this prospectus misleading; and
3. all opinions expressed in this prospectus have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

FULLY UNDERWRITTEN

This prospectus is published solely in connection with the Placing which is sponsored by the Sponsor. The Placing Shares are fully underwritten by the Underwriters pursuant to the Underwriting Agreement, subject to the Company and the Lead Manager (acting for itself and on behalf of the Underwriters) agreeing on the Placing Price. For more information about the Underwriters and the Placing and underwriting arrangements, please refer to the section headed "Underwriting" in this prospectus.

DETERMINING OF THE PLACING PRICE

The Placing Shares are being offered at the Placing Price which will be determined by the Company and China Everbright Securities (for itself and on behalf of the Underwriters) on the Price Determination Date. For full information relating to fixing of the Placing Price, please refer to the section headed "Structure and conditions of the Placing" in this prospectus.

RESTRICTIONS ON OFFER OF THE PLACING SHARES

No action has been taken in any jurisdiction other than Hong Kong to permit the offering of the Placing Shares or the distribution of this prospectus in any jurisdiction other than Hong Kong. The distribution of this prospectus and the offering of the Placing Shares in certain jurisdictions are restricted by law. Accordingly, and without limitation to the following, this prospectus may not be used for the purposes of, and does not constitute an offer or invitation in any jurisdiction or in any circumstances in which such offer or invitation is not authorised or to any person to whom it is unlawful to make an unauthorised offer or invitation. Persons who possess this prospectus are required by the Company, the Global Coordinator, the Sponsor, the Lead Manager and the Underwriters to observe such restrictions.

INFORMATION ABOUT THIS PROSPECTUS AND THE PLACING

United States

The Placing Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), and may not be offered, sold, pledged or otherwise transferred within the United States or to or for the account or benefit of a U.S. person except pursuant to an exemption from or in a transaction not subject to the registration requirements of the U.S. Securities Act. The Offer Shares are being offered and sold outside the United States in reliance on Regulation S of the U.S. Securities Act.

The Placing Shares have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy in this prospectus. Any representation to the contrary is a criminal offence in the United States.

Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus may not be issued, circulated or distributed in Singapore nor may any of the Placing Shares be offered for subscription or sold, directly or indirectly, nor may an invitation or offer to subscribe for any Placing Shares be made (i) to persons in Singapore other than under circumstances in which such invitation, offer or sale does not constitute an invitation, offer or sale of the Placing Shares to the public in Singapore or (ii) to the public or any member of the public in Singapore other than pursuant to, and in accordance with the conditions of, an exemption invoked under Division 1 Part XIII of the Securities and Futures Act and to persons to whom the Placing Shares may be offered or sold under such exemption. Furthermore, no advertisement may be made offering or calling attention to an offer or intended offer of the Placing Shares to the public in Singapore.

United Kingdom

This prospectus has not been approved under Section 21 of the Financial Services and Markets Act 2000 (“FSMA”) by a person authorised under FSMA in the United Kingdom. Without limitation to the other restrictions referred to herein, this prospectus is being distributed in the United Kingdom only to, and is directed only at (i) investment professionals, as defined in the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 (the “FSMA Order”) being persons who have professional experience in matters relating to investments; and (ii) persons falling within Article 49(2)(A) to (D) (“high net worth companies, unincorporated associations etc”) of the FSMA Order (all such persons together being referred to as “relevant persons”). This prospectus must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this prospectus relates is available only to relevant persons and will be engaged in only with relevant persons.

The Placing Shares may not be offered or sold in the United Kingdom except to persons whose ordinary activities involve acquiring, holding, managing or disposing of investments (as principal or agent) for the purpose of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom for the purposes of the FSMA or the Public Offers of Securities Regulations 1995. This prospectus has not been registered with the Registrar of Companies in the United Kingdom.

INFORMATION ABOUT THIS PROSPECTUS AND THE PLACING

In addition, no person may issue or pass on to any person in the United Kingdom any document received by him in connection with the Placing or communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) in relation to the Placing Shares unless the recipient is a relevant person.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented this prospectus Directive (each, a “Relevant Member State”), with effect from and including the date on which this prospectus Directive is implemented in that Relevant Member State (the “Relevant Implementation Date”) the Placing Shares may not be offered to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Placing Shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with this prospectus Directive, except that, with effect from and including the Relevant Implementation Date, an offer of Placing Shares to the public may be made in that Relevant Member State at any time:

- (a) to legal entities which are authorised or regulated to operate in the financial markets or, if not authorised or regulated, whose corporate purpose is solely to invest in securities;
- (b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (c) in any other circumstances which do not require the publication by the Company of a prospectus pursuant to Article 3 of this prospectus Directive.

For the purposes of the above, the expression an “offer of Placing Shares to the public” in relation to any Placing Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Placing Shares to be offered so as to enable an investor to decide to purchase or subscribe the Placing Shares, as the same may be varied in that Member State by any measure implementing this prospectus Directive in that Member State and the expression “Prospectus Directive” means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Japan

The Placing Shares have not been and will not be registered under the Securities and Exchange Law of Japan (the “Securities and Exchange Law”). The Placing Shares which are being offered hereby may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to the applicable exemption from the registration requirements of the Securities and Exchange Law and in compliance with any other applicable requirements of Japanese law. As used in this paragraph, “resident of Japan” means any person residing in Japan, including any corporation or other entity organised under the laws of Japan.

INFORMATION ABOUT THIS PROSPECTUS AND THE PLACING

Taiwan

The Placing Shares have not been and will not be registered with The Securities and Futures Commission of Taiwan and are not being offered or sold and may not be offered or sold, directly or indirectly, in Taiwan or to, or for the account of, any resident of Taiwan, except (a) pursuant to the requirements of the securities related laws and regulations in Taiwan and (b) in compliance with any other applicable requirements of Taiwanese laws.

PRC

This prospectus may not be circulated or distributed in the PRC and the Placing Shares may not be offered or sold, directly or indirectly, or offered or sold to any person for re-offering or re-sale, directly or indirectly, to any resident of the PRC except pursuant to applicable laws and regulations of the PRC.

Cayman Islands

No offer of the Placing Shares may be made to members of the public in the Cayman Islands.

Each person acquiring the Placing Shares will be required to confirm, or deemed by its acquisition of the Placing Shares to have confirmed, that it is aware of the restrictions on the offer and sale of the Placing Shares described in this prospectus.

STRUCTURE AND CONDITIONS OF THE PLACING

Further details of the structure of the Placing are set out in the section headed "Structure and conditions of the Placing" in this prospectus.

APPLICATION FOR LISTING ON GEM

Application has been made to the Listing Committee for the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned herein and any Shares which may fall to be issued pursuant to the exercise of the Over-allotment Option or the exercise of any options which have been granted under the Pre-IPO Share Option Plan or which may be granted under the Share Option Scheme on GEM.

No part of the share or loan capital of the Company is listed or dealt in on any other stock exchange and no such listing or permission of dealing is being or is proposed to be sought on any other stock exchange.

Under section 44B(1) of the Companies Ordinance, if the permission for the Shares offered under this prospectus to be listed on GEM has been refused before the expiration of three weeks from the date of the closing of the application of the Placing or such longer period not exceeding six weeks as may, within the said three weeks, be notified to the Company for permission by or on behalf of the Listing Committee, then any allotment made on an application in pursuance of this prospectus shall, whenever made, be void.

INFORMATION ABOUT THIS PROSPECTUS AND THE PLACING

Pursuant to Rule 11.23(1) of the GEM Listing Rules, at the time of the Listing and at all times thereafter, the Company must maintain the “minimum prescribed percentage” of 25% of the issued share capital of the Company in the hands of the public (as defined in the GEM Listing Rules).

COMMENCEMENT OF DEALINGS IN THE SHARES

Dealings in the Shares on GEM is expected to commence on or about 18 October 2005. Shares will be traded in board lots of 2,000 Shares each.

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the approval of the listing of, and permission to deal in, the Shares on GEM and the compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or any other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second Business Day after any trading day.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

All necessary arrangements have been made for the Shares to be admitted into CCASS. If you are unsure about the details of CCASS settlement arrangements and how such arrangements will affect your rights and interests, you should seek the advice of your stockbroker or other professional adviser.

PROFESSIONAL TAX ADVICE RECOMMENDED

If you are unsure about the taxation implications of the subscription for, purchase, holding or disposal of, dealings in, or exercise of any rights in relation to, the Placing Shares, you should consult an expert. It is emphasised that none of the Company, the Directors, the Sponsor, the Underwriters, any of their respective directors, agents or advisers or any other persons involved in the Placing accepts responsibility for any tax effects on or liabilities of any person resulting from the subscription for, purchase, holding or disposal of, dealings in, or the exercise of any rights in relation to, the Placing Shares.

STAMP DUTY

Dealings in the Placing Shares registered on the Hong Kong branch register of members of the Company in Hong Kong will be subject to Hong Kong stamp duty.