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## SHARE CAPITAL

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HK\$

*Authorised share capital:*

<u>1,000,000,000</u>	shares	<u>100,000,000.0</u>
<i>Shares in issue fully paid or credited as fully paid:</i>		
2	Shares in issue	0.2
1	Share to be issued pursuant to the acquisition from China Resources Enterprise of two shares of US\$1 each in the capital of Innovative Market	0.1
208,040,518	Shares to be issued pursuant to the bonus issue by way of the capitalisation of HK\$20,804,051.8 then standing to credit of the share premium account of the company in preparation for the distribution in specie of China Resources Enterprise ( <i>Note i</i> )	20,804,051.8
<u>154,747,000</u>	Shares to be issued pursuant to the acquisition ( <i>Note ii</i> )	<u>15,474,700.0</u>
<u>362,787,521</u>	Total shares issued and to be issued, subject to adjustments as mentioned in the following notes	<u>36,278,752.1</u>

*Notes:*

**(i) Bonus issue**

The number of shares to be issued to China Resources Enterprise and the amount of reserves in the share premium account of the company to be capitalised pursuant to the bonus issue of the company is subject to change, according to the total number of China Resources Enterprise shares in issue as at the record date.

**(ii) Number of shares to be issued pursuant to the acquisition**

The number of shares to be issued pursuant to the acquisition is subject to change according to the number of shares to be issued as described under note (i).

**(iii) Assumptions**

The above table takes no account of any shares which may be allotted and issued (i) upon the exercise of any options which may be granted under the share option scheme, or (ii) under the general mandate to issue new shares, see below, or of any shares which may be repurchased by the company pursuant to the share repurchase mandate, see below.

**(iv) Share option scheme**

The company has conditionally adopted the share option scheme to take effect on the first day of dealings of shares on the Stock Exchange, conditions for the adoption and a summary of the principal terms of the scheme are set out in the paragraph headed "Summary of the principal terms of the share option scheme" in appendix IX to this prospectus. Under the share option scheme, eligible participants including but not limited to executive directors of the company and full time employees of the enlarged group may be granted options which would entitle them to subscribe for shares, please refer to the section headed "Summary of the principal terms of the share option scheme" in the appendix IX to this prospectus.

No option has yet been granted under the share option scheme.

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### (v) General mandate to issue new shares

The directors have been granted conditional general mandate to allot, issue and deal with unissued shares with a total nominal value of not more than the sum of:

- 20% of the total nominal amount of the share capital of the company in issue and to be issued pursuant to the bonus issue and the acquisition; and
- the total nominal amount of the share capital of the company, if any, repurchased by the company under the general mandate to repurchase shares referred to below.

The directors may, in addition to the shares which they are authorised to issue under the mandate, allot and issue shares under a rights issue, scrip dividend scheme or similar arrangement or upon the exercise of options granted under the share option scheme or similar arrangement.

This mandate will expire:

- at the end of the company's next annual general meeting; or
- at the end of the period within which the company is required by applicable law or its articles of association to hold its next annual general meeting; or
- when varied or revoked by an ordinary resolution of the shareholders of the company in general meeting,

whichever is the earliest.

Further information on this general mandate is contained in the paragraph headed "Written resolutions of the sole shareholder of the company passed on 20th June, 2003" in the section headed "Further information about the company" in appendix IX to this prospectus.

### (vi) General mandate to repurchase shares

The directors have been granted conditional general mandate to exercise all the powers of the company to repurchase shares with a total nominal value of not more than 10% of the aggregate of the total nominal amount of the share capital of the company in issue and to be issued pursuant to the bonus issue and the acquisition.

This mandate only relates to repurchases made on the Stock Exchange or on any other stock exchange on which the shares are listed (and which is recognised by the Securities and Futures Commission and the Stock Exchange for this purpose), and which are made in accordance with the Listing Rules. A summary of the relevant Listing Rules is set out in the paragraph headed "Repurchase by the company of its own shares" in appendix IX to this prospectus.

The mandate will expire:

- at the end of the company's next annual general meeting; or
- at the end of the period within which the company is required by applicable law or its articles of association to hold its next annual general meeting; or
- when varied or revoked by an ordinary resolution of the shareholders of the company in general meeting,

whichever is the earliest.