This summary aims to give you an overview of the information contained in this prospectus. As this is a summary, it does not contain all the information that may be important to you. You should read the whole document before you decide to invest in the Offer Shares. There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section headed "Risk Factors" of this prospectus. You should read that section carefully before you decide to invest in the Offer Shares.

OVERVIEW

We are one of the six primary operators providing mobile voice and data communications services in Hong Kong. Our services range from mobile voice services, mobile data services and international call services to handset sales. We were the first among the six operators to commercially launch PCS1800 mobile telephone services, based on the GSM1800 standard, in Hong Kong when we introduced our services under the brand name "Peoples" on 28 January 1997.

As at 31 December 2003, we had a total of approximately 1,050,000 subscribers. We have increased our market share from approximately 11.3 per cent. at the end of 2001 to approximately 14.6 per cent. as at 31 December 2003 in terms of the total number of pre-paid and post-paid mobile customers. As at 31 December 2003, we had a total of 618,744 post-paid customers and 430,203 pre-paid subscribers, which according to OFTA, represented 14.0 per cent. and 15.4 per cent. of the total number of post-paid and pre-paid customers in Hong Kong, respectively. We attribute our success in increasing our market share in such a highly competitive market to our "best offer matching strategy", which involves two key components. Firstly, we offer our new customers tariff packages which match the lowest market offerings of our competitors provided that we do not expect the revenue per minute for such tariff package to be lower than our effective variable cost per minute of included airtime. Secondly, we proactively adjust the tariff plans of existing customers to match our latest matching offers if these are relevant to their existing packages. Given the current size of our customer base and the size of our revenue base in relation to our relatively low fixed costs which are driven by our prudent and effective cost control policy, we believe that we will be able to continue to pursue this strategy on a profitable basis. Furthermore, we are able to launch a matching offer typically within 24 hours from the launch of our competitors' offers. We believe that our success in building our reputation as the mobile telecommunications service provider that offers one of the best tariff packages available in Hong Kong is mainly attributable to our best offer matching strategy.

We are committed to providing high-quality mass market mobile communications services with a primary focus on mobile voice and data communications services. Our mobile voice services are divided into post-paid services and pre-paid services, with a variety of value-added services attached to each. Our mobile data services include messaging services and infotainment services. We also offer international call services consisting of roaming, IDD and international call forwarding to our customers. Furthermore, we also sell handsets at all our retail outlets. Currently, we promote, sell and distribute our services and products through 46 strategically located outlets in Hong Kong, 34 of which are wholly-owned and operated by us and the rest of which are owned and operated by our only post-paid distributor, Telepaging, which distributes exclusively for us.

Our PCS1800 network is based on the GSM standard using the 1800 MHz frequency band. As at 31 January 2004, we had 978 base stations, three MSCs and six BSCs. We are in the final stages of preparation for the launch of our EDGE enabled network in 2004, which enables the provision of data applications, such as video-streaming and web-browsing, to our customers at enhanced transfer rates.

COMPETITIVE STRENGTHS

We believe our success in increasing our market share, subscriber base and operating profitability in Hong Kong's highly competitive mobile voice and data communications industry is primarily due to our ability to capitalise on the following key strengths:

- quick response to market changes;
- effective cost control;
- efficient and reliable network;
- strong brand identity and loyal customer base;
- extensive and effective sales force and distribution agents;
- strong support from our shareholders; and
- experienced senior management.

Please refer to the section headed "Business — Competitive Strengths" of this prospectus for further details.

BUSINESS DEVELOPMENT STRATEGIES

We aim to increase shareholder value by building on and leveraging our competitive strengths and pursuing the following business development strategies:

- best offer matching and simple tariff structures;
- focusing on customer satisfaction;
- developing EDGE and data revenue growth; and
- developing opportunities in China.

Please refer to the section headed "Business — Business Development Strategies" of this prospectus for further details.

RESULTS OF OPERATIONS

Our subscriber base, determined based on the number of our SIM cards, grew from 642,981 subscribers at the end of 2001 to 1,048,947 as at the end of December 2003.

Our turnover grew from HK$1,050.2 million in 2001 to HK$1,642.3 million (US$211.0 million) in 2003. We recorded a loss before tax of HK$98.7 million in 2001, a profit before tax of HK$252.6 million in 2002 and a profit before tax of HK$326.0 million (US$41.9 million) in 2003. While we recorded net losses of HK$98.7 million in 2001, we achieved net income of HK$344.5 million in 2002 and HK$270.1 million (US$34.7 million) in 2003. Although we have been generating positive cash flows from operating activities since 2000, we were not profitable and were accumulating losses prior to 2002, during which period our subscriber base did not at any time reach the critical mass that would enable us to generate sufficient revenues to cover our fixed and variable costs and expenses. While we turned profitable in 2002 and 2003, we still had accumulated losses of approximately HK$368.4 million (US$47.3 million) remaining as at the end of 2003. Intense competition or certain other risk factors set out elsewhere in this prospectus may impact our profitability in the future.

The following table, which summarises our results of operations for the three years ended 31 December 2003, has been extracted from the Accountants' Report the text of which is set out in Appendix I to this prospectus.

	For the year ended 31 December		
	2001	**2002**	**2003**
	HK$'000	*HK$'000*	*HK$'000*
Turnover	1,050,223	1,505,155	1,642,301
Gross profit	709,644	1,065,739	1,184,216
Profit from operations	20,252	339,812	390,504
(Loss)/Profit from ordinary activities before taxation	(98,691)	252,591	325,988
Net (loss)/profit	(98,691)	344,546	270,076
Dividend	—	—	—
(Loss)/Earnings per Share (in HK$)			
— Basic[1]	(0.23)	0.80	0.62
— Diluted[2]	—	0.61	0.49

Notes:

(1) The calculation of basic earnings/(loss) per share for each year is based on the profit / (loss) attributable to shareholders for each respective year and on the 433,000,000 shares of the Company in issue during the relevant period.

(2) The calculation of diluted earnings per share is based on the profit/(loss) attributable to ordinary shareholders of HK$285,488,821 as at 31 December 2003 (31 December 2002: HK$359,959,673, 31 December 2001: HK$(83,279,212)) and the weighted average number of ordinary shares of 587,125,000 shares as at 31 December 2003 (31 December 2002: 587,125,000 shares, 31 December 2001: 433,000,000 shares) after adjusting for the effects of all dilutive potential ordinary shares. There were no dilutive potential ordinary shares in existence for the year ended 31 December 2001.

PROPOSED DIVIDENDS FOR THE SIX MONTHS ENDING 30 JUNE 2004 AND THE TWELVE MONTHS ENDING 31 DECEMBER 2004

As at 31 December 2003, our audited financial statements reflected accumulated losses of approximately HK$368.4 million in accordance with HK GAAP. For the purposes of determining the profits available for distribution in accordance with Section 79B of the Companies Ordinance, the accumulated losses of the Company amounted to approximately HK$308.0 million at that date. The difference represents the cumulative preference dividend and accrued redemption premium on the Preference Shares, which have been charged to the Company's income statement but are not realised losses for the purposes of determining the profits available for distribution.

Of the amount of HK$308.0 million, HK$305.3 million was eliminated as a result of the Capital Reduction. Taking into account the expected performance of the Company to 30 June 2004, the Company expects to have accumulated realised profits as at 30 June 2004 from which it could declare interim dividends.

Considering the current financial position of the Company, our Board currently intends, subject to the factors stated in the section headed "Dividend Policy" of this prospectus, and in the absence of any circumstances which might reduce the amount of available distributable reserves, whether by losses or otherwise, and subject to the covenants set out in the HK$300.0 million facility (as defined in the section headed "Definitions" of this prospectus), to distribute to our shareholders a proportion of our net profit for a particular financial year as discussed below. There is, however, no assurance that dividends of such amount or any amount will be declared or distributed each year or in any year.

Accordingly, our Board currently intends to recommend an interim dividend for the six months ending 30 June 2004 of approximately HK$90.0 million (approximately HK$0.12 per Share) and a final dividend for the year ending 31 December 2004 of approximately HK$125.0 million (approximately HK$0.17 per Share), based on our issued share capital following completion of the Global Offering (assuming the Over-allotment Option is not exercised), the Capitalisation Issue and the Conversion. Such interim and final dividends are currently expected to be paid in the fourth quarter of 2004 and the second quarter of 2005, respectively. For more information, please refer to the section headed "Dividend Policy" of this prospectus.

OFFER STATISTICS

Offer Statistics

Except as otherwise stated, it is assumed in this prospectus that 6,299,857 Shares will be issued pursuant to the Capitalisation Issue, based on an Offer Price of HK$5.10 per Share (being the mid-point of the price range stated in this prospectus), and that the Capitalisation Issue takes effect on 31 March 2004.

	Based on an Offer Price of HK$4.55 per Share	**Based on an Offer Price of HK$5.65 per Share**
Market capitalisation (HK$ million)(1)	3,383.5	4,193.8
Adjusted net tangible asset value per Share (HK$)(2)	1.24	1.45

Notes:

(1) The calculation of market capitalisation is based on 742,874,857 Shares expected to be in issue following the Global Offering (assuming no exercise of the Over-allotment Option), the Capitalisation Issue (calculated on the basis set out in the section headed "Share Capital" of this prospectus) and the Conversion.

(2) The adjusted net tangible asset value per Share is based on 742,874,857 Shares expected to be in issue following completion of the Global Offering (assuming no exercise of the Over-allotment Option), the Capitalisation Issue (calculated on the basis set out in the section headed "Share Capital" of this prospectus) and the Conversion.

If the Over-allotment Option is exercised in full, assuming an Offer Price of HK$5.10 per Share (being the mid-point of the stated range of the Offer Price of between HK$4.55 and HK$5.65 per Share), the adjusted net tangible asset value per Share will be increased to HK$1.53 per Share.

SELLING SHAREHOLDERS

It is currently intended that pursuant to the International Underwriting Agreement, the Selling Shareholders, being KPN, Overseas Telecom AB and Celtel, will offer 47,630,000, 47,630,000 and 23,815,000 Shares, respectively, for sale in the International Placing.

The shareholdings of each of the Selling Shareholders immediately before the Global Offering, the Capitalisation Issue and the Conversion are as follows:

Selling Shareholder	**Shares**	**Percentage of issued Shares (%)**	**Preference Shares**	**Percentage of issued Preference Shares (%)**
KPN	47,630,000	11.0	—	—
Overseas Telecom AB	47,630,000	11.0	—	—
Celtel	23,815,000	5.5	4,366,154	2.8

On 3 February 2004, Celtel, together with the other Preference Shareholders, gave an undertaking to the effect that conditional on the Capitalisation Issue taking effect (which is expected to be immediately after the closing of the Global Offering but before commencement of dealings on the Stock Exchange of the Shares on 31 March 2004), they will convert their respective Preference Shares into fully paid Shares at the conversion rate of one Share for every one Preference Share upon the terms of the Articles of Association.

The shareholdings of each of the Selling Shareholders immediately after completion of the Global Offering (assuming that the Over-allotment Option is not exercised), the Capitalisation Issue and the Conversion are as follows:

Selling Shareholder	**Shares**	**Percentage of issued Shares (%)**	**Preference Shares**
KPN	—	—	—
Overseas Telecom AB	—	—	—
Celtel	4,536,228	0.6	—

On 12 March, 2004, Onwel Capital granted KPN an option to purchase 23,815,000 Shares at the Offer Price from Onwel Capital if the Offer Price per Share for the Global Offering would reflect a valuation of less than HK$3.8 billion with respect to the Company. Such option is exercisable by KPN within three business days immediately after the expiry of the six month period after the date on which dealings in the Shares commence on the Stock Exchange.

USE OF PROCEEDS

The net proceeds of the Global Offering (after deduction of underwriting fees and estimated expenses payable by us and the Selling Shareholders in relation to the Global Offering, assuming the Over-allotment Option is not exercised) are estimated to be approximately HK$1,171.2 million, assuming an Offer Price per Share of HK$4.55, or approximately HK$1,459.2 million, assuming an Offer Price per Share of HK$5.65 (or if the Over-allotment Option is exercised in full, approximately HK$1,349.9 million, assuming an Offer Price per Share of HK$4.55, or approximately HK$1,681.1 million, assuming an Offer Price per Share of HK$5.65).

The net proceeds of the Global Offering accruing to us (after deduction of underwriting fees and estimated expenses payable by us in relation to the Global Offering, assuming the Over-allotment Option is not exercised) are estimated to be approximately HK$643.0 million, assuming an Offer Price per Share of HK$4.55, or approximately HK$803.3 million, assuming an Offer Price per Share of HK$5.65 (or if the Over-allotment Option is exercised in full, approximately HK$821.7 million, assuming an Offer Price per Share of HK$4.55, or approximately HK$1,025.2 million, assuming an Offer Price per Share of HK$5.65).

The net proceeds of the Global Offering accruing to the Selling Shareholders (after deduction of underwriting fees and estimated expenses payable by the Selling Shareholders in relation to the Global Offering) are estimated to be approximately HK$528.2 million, assuming an Offer Price per Share of HK$4.55, or approximately HK$656.0 million, assuming an Offer Price per Share of HK$5.65.

We plan to use approximately HK$629.1 million of the net proceeds of the Global Offering accruing to us in repayment of part of our shareholders' loans and accrued interest thereon. The remaining HK$300.0 million of our shareholders' loans and accrued interest thereon will be repaid within three business days of the day on which dealings in the Shares commence on the Stock Exchange out of funds drawn down under the HK$300.0 million facility. Assuming an Offer Price per Share of HK$5.10 (the mid-point of the Offer Price range) and that the Over-allotment Option is not exercised, the remaining net proceeds to us of approximately HK$94.0 million and accrued interest thereon will be used as general working capital. Assuming an Offer Price per Share of HK$5.10 (the mid-point of the Offer Price range) and the Over-allotment Option is exercised in full, approximately HK$294.3 million in net proceeds will be available for general working capital purposes. To the extent that the net proceeds are not immediately applied for general working capital purposes, it is the intention of the Directors that such net proceeds will be placed on short-term deposit with licensed banks or financial institutions in Hong Kong.

REPAYMENT OF SHAREHOLDERS' LOANS

Loans due to shareholders amounted to a principal amount of HK$624.9 million, together with accrued interest thereon of HK$300.6 million, as at the Latest Practicable Date. We will fully repay all shareholders' loans, together with interest accrued thereon, on or within three business days after the day on which dealings in the Shares commence on the Stock Exchange.

On 10 March 2004 we entered into an unsecured HK$300.0 million floating rate loan facility with CITIC Ka Wah Bank in order to partially fund the repayment of the shareholders' loans and accrued interest thereon. The interest rate on the HK$300.0 million facility is determined relative to the Hong Kong Inter-bank Offer Rate and is currently lower than that on the shareholders' loans. We will fully draw down the HK$300.0 million facility on the day on which dealings in the Shares commence on the Stock Exchange. Depending on the time we receive those funds and allowing time for final settlement of repayment logistics, including requisite documentation, notification and confirmation of receipt of funds, we may not be able administratively to use those funds to repay the shareholders' loans and accrued interest thereon on the same day. We will, however, apply those funds towards the repayment of the shareholders' loans and accrued interest thereon within three business days thereafter. The HK$300.0 million facility is repayable in four equal instalments on 10 July 2004, 10 March 2005, 10 September 2005 and 10 March 2006, respectively. Commencing on 10 March 2005, we will have the right to repay the principal outstanding under the HK$300.0 million facility earlier than the initial repayment schedule. An event of default under the HK$300.0 million facility will be triggered if, among other things, (i) certain levels of net profit and net worth are not maintained, (ii) ratios relating to liabilities to net worth, current assets to current liabilities or interest coverage are breached, (iii) certain limits on capital expenditure are exceeded, or (iv) China Resources ceases either (a) to be our single largest shareholder; or (b) to hold 30.0 per cent. or more of our issued shares. Upon the occurrence of an event of default, unless waived by CITIC Ka Wah Bank, the repayment of any outstanding amount under the HK$300.0 million facility, together with all accrued interest thereon, may be accelerated.

The completion of the Global Offering and the transfer of funds to us under the HK$300.0 million facility are conditional upon each other. If funds are not transferred to us under the HK$300.0 million facility, the Global Offering will lapse. If the Global Offering lapses, we will not have the right to receive funds under the HK$300.0 million facility. It is currently expected that completion of the Global Offering and the transfer of funds to us under the HK$300.0 million facility will take place simultaneously on 31 March 2004 before dealings in our Shares commence on the Stock Exchange.

We will repay the remaining amount of shareholders' loans and accrued interest thereon from the net proceeds of the Global Offering accrued to us. Any proceeds remaining after the full repayment of the shareholders' loans and accrued interest thereon will be used as general working capital.

SUMMARY OF RISK FACTORS

We believe that there are certain risks involved in our operations. They can be broadly categorised into: (i) risks relating to us and our industry, and (ii) risks relating to ownership of our Shares. Set forth below is a summary of the risks referred to above. For details, please refer to the section headed "Risk Factors" of this prospectus.

Risks Relating to Us and Our Industry

- We operate in a highly competitive environment
- Our PRS licence may not be automatically renewed or renewed on comparable terms and conditions
- High penetration rates for mobile communications subscribers in Hong Kong may limit our ability to expand our subscriber base
- Rapid technological changes may increase competition and render our technologies, products or services obsolete
- We may be facing slower subscriber growth or declining ARPUs
- We currently do not have a 3G licence
- We cannot be certain with respect to the successful development and implementation of our EDGE network and services
- Substantially all of our subscribers do not have fixed term contracts
- We rely on our vendors
- We rely on technologies that we license from third parties
- We rely on various third party vendors for the supply of handsets and accessories
- We are in a regulated industry and are subject to changes in the regulatory environment

- Our licences and the regulatory environment in which we operate are subject to changes in laws, regulations and government policies

- We are dependent on interconnection with other networks and gateways

- We will not be able to deliver our services if we experience a systems failure or a shutdown in connection with communications networks

- Virtually all of our revenue is derived from our activities in Hong Kong

- We may not have enough cash or be able to raise adequate financing when required. We will apply a substantial amount of our proceeds from the Global Offering to the repayment of our shareholders' loans and accrued interest thereon and will use any surplus for general working capital

- We may not have enough cash or be able to raise adequate financing to settle or refinance our net current liabilities as they fall due

- The repayment of our HK$300.0 million facility may be accelerated

- We must attract, train and retain qualified employees to execute our business strategy

- Our billing, credit control and customer management systems are critical to our operations

- We are subject to environmental regulation

- The potential effect on us of any actual or perceived health risks associated with mobile handsets or transmission facilities is unknown

- Effect of SARS or other contagious diseases on the Hong Kong economy

Risks Relating to Ownership of Our Shares

- Future financing may cause a dilution in your shareholding or place restrictions on our operations

- The market price of our Shares may be volatile

- There has been no prior public market for our Shares

- We may not be able to pay any dividends on our Shares

- The interest of our substantial shareholders may differ from those of our other shareholders

- Our Share price may be affected if additional Shares are sold by our substantial shareholders or are issued by us