

THE OFFERING

This Prospectus is published in connection with the Hong Kong Public Offering as part of the Offering. The Offering consists of:

- the Hong Kong Public Offering of an initial 42,016,000 Offer Shares (subject to adjustment as described below) in Hong Kong as described below under “The Hong Kong Public Offering”; and
- the International Placing of an initial 378,144,500 Offer Shares (subject to adjustment as described below) (a) in the United States to QIBs in reliance on Rule 144A or another exemption under the US Securities Act and (b) outside the United States in accordance with Regulation S.

Goldman Sachs (Asia) L.L.C. is the Global Coordinator, Lead Manager and Bookrunner of the Offering.

The number of Offer Shares to be offered under the Hong Kong Public Offering and the International Placing respectively, may be subject to reallocation as described below under “Pricing and Allocation”.

PRICING AND ALLOCATION

The International Purchasers will be soliciting from prospective investors indications of interest in acquiring Offer Shares in the International Placing. Prospective investors will be required to specify the number of Offer Shares they would be prepared to acquire either at different prices or at a particular price. This process, known as “book-building”, is expected to continue up to, and to cease on or before June 11, 2004.

The Offer Price is expected to be fixed by agreement between the Global Coordinator (on behalf of the Hong Kong Underwriters and the International Purchasers) and us, on the Price Determination Date, when market demand for the Offer Shares will be determined. The Price Determination Date is expected to be on or before June 11, 2004.

The Offer Price will be not more than HK\$3.70 per Offer Share and is currently expected to be not less than HK\$2.77 per Offer Share, unless otherwise announced no later than the morning of the last day for lodging applications in the Hong Kong Public Offering, as further described below. **Prospective investors should be aware that the Offer Price to be determined on the Price Determination Date may be, but is not expected to be, lower than the indicative offer price range stated in this Prospectus.**

If, based on the level of interest expressed by prospective professional and international investors during the book-building process, the Global Coordinator (on behalf of the Hong Kong Underwriters and the International Purchasers), and with our consent of, think it appropriate, the number of Offer Shares and/or the indicative offer price range may be reduced below that stated in this Prospectus at any time prior to the morning of the last day for lodging applications in the Hong Kong Public Offering. In such a case, we will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications in the Hong Kong Public Offering, cause to be published in the South China Morning Post (in English) and the Hong Kong Economic Times

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(in Chinese) a notice of the reduction. **Before submitting applications for Hong Kong Offer Shares, applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares and/or the indicative offer price range may not be made and published until the last day for lodging applications in the Hong Kong Public Offering.** Such notice will also include confirmation or revision, as applicable, of the offer statistics as currently set out in the section entitled “Summary” and any other financial information which may change as a result of any such reduction.

Applicants in the Hong Kong Public Offering should note that in no circumstances can applications be withdrawn once submitted, even if the number of Offer Shares and/or the offer price range is subsequently so reduced. The Offer Price, if agreed upon, will be fixed within such revised offer price range. In the absence of any notice being published of a reduction in the number of Offer Shares and/or the indicative offer price range stated in this Prospectus on or before the last day for lodging applications in the Hong Kong Public Offering, the number of Offer Shares will not be reduced and/or the Offer Price, if agreed upon, will in no circumstances be set outside the offer price range as stated in this Prospectus.

In the event of a reduction in the number of Offer Shares, the Global Coordinator may, at its discretion, reallocate the number of Offer Shares to be offered in the Hong Kong Public Offering and the International Placing, provided that the number of Offer Shares comprised in the Hong Kong Public Offering shall not be less than 10% of the total number of Offer Shares in the Offering. The Offer Shares to be offered in the Hong Kong Public Offering and the Offer Shares to be offered in the International Placing may, in certain circumstances, be reallocated as between these offerings at the discretion of the Global Coordinator.

Allocation of International Placing Shares pursuant to the International Placing will be determined by the Bookrunners and will be based on a number of factors including the level and timing of demand, total size of the relevant investor’s invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further, and/or hold or sell, Shares, after the listing of the Shares on the Stock Exchange. Such allocation may be made to professional, institutional and corporate investors and is intended to result in a distribution of Shares on a basis which would lead to the establishment of a solid Shareholder base to the benefit of our Company and our Shareholders as a whole.

Allocation of Hong Kong Offer Shares to investors under the Hong Kong Public Offering will be based solely on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares validly applied for by applicants, but will otherwise be made strictly on a pro-rata basis, although the allocation of Hong Kong Offer Shares could, where appropriate, consist of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares, and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

The Offer Price, level of applications in the Hong Kong Public Offering, the level of indications of interest in the International Placing, and the basis of allocations of the Hong Kong Offer Shares are expected to be announced on Tuesday, June 15, 2004 in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese).

CONDITIONS OF THE HONG KONG PUBLIC OFFERING

Acceptance of all applications for the Hong Kong Offer Shares pursuant to the Hong Kong Public Offering will be conditional on, among other things:

- the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Shares (including any Shares which may be issued pursuant to the exercise of the Over-allotment Option and upon the exercise of options which have been granted under the Pre-IPO Share Option Scheme and which may be granted under the Share Option Scheme, and such listing and permission not subsequently having been revoked prior to the commencement of dealings in the Shares on the Stock Exchange);
- the Offer Price having been duly determined and the execution and delivery of the International Purchase Agreement on or before the Price Determination Date; and
- the obligations of the Underwriters under the Underwriting Agreements becoming and remaining unconditional (including, if relevant, following the waiver of any conditions by the Global Coordinator on behalf of the Hong Kong Underwriters or the International Purchasers, as the case may be) and such obligations not having been terminated in accordance with the terms of the Underwriting Agreements,

in each case on or before the dates and times specified in such Hong Kong Underwriting Agreement or International Purchase Agreement (unless and to the extent such conditions are validly waived on or before such dates and times).

If, for any reason, the Price Determination Agreement is not entered into and the Offer Price is not agreed between the Bookrunner (on behalf of the Underwriters) and us, the Offering will not proceed.

The consummation of each of the Hong Kong Public Offering and the International Placing is conditional upon, among other things, the other offering becoming unconditional and not having been terminated in accordance with their respective terms.

If the above conditions are not fulfilled or waived prior to the dates and times specified, the Offering will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Hong Kong Public Offering will be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) on the next business day following such lapse. In this event, all application moneys will be returned, without interest, on the terms set out in the section entitled “Terms and Conditions of the Hong Kong Public Offering”. In the meantime, all application moneys will be held in a separate bank account(s) with the receiving bank(s) or other licensed bank(s) in Hong Kong.

We expect to issue share certificates for the Offer Shares on Tuesday, June 15, 2004. However, these share certificates will only become valid certificates of title at 8:00 a.m. on Wednesday, June 16, 2004, provided that (i) the Offering has become unconditional in all respects and (ii) the right of termination as described in the section entitled “Underwriting” in this Prospectus has not been exercised.

THE HONG KONG PUBLIC OFFERING

The Hong Kong Public Offering is a fully underwritten public offer (subject to agreement as to pricing and satisfaction or waiver of the other conditions set out in the Hong Kong Underwriting Agreement and described in the section headed “Conditions of the Hong Kong Public Offering” in this Prospectus) for the subscription in Hong Kong of, initially, 42,016,000 Offer Shares at the Offer Price (representing approximately 10% of the total number of the Offer Shares initially available under the Offering). Subject to the reallocation of Offer Shares between the International Placing and the Hong Kong Public Offering, the Hong Kong Offer Shares will represent approximately 2.5% of our enlarged issued share capital immediately after completion of the Offering assuming that the Over-allotment Option is not exercised.

The total number of the Offer Shares initially available under the Hong Kong Public Offering is to be divided equally into two pools for allocation purposes:

- Pool A: The Offer Shares in Pool A will be allocated on an equitable basis to applicants who have applied for the Offer Shares with an aggregate subscription price of HK\$5 million (excluding the brokerage, the Stock Exchange trading fee, the SFC transaction levy and investor compensation fee payable) or less; and
- Pool B: The Offer Shares in Pool B will be allocated on an equitable basis to applicants who have applied for the Offer Shares with an aggregate subscription price of more than HK\$5 million (excluding the brokerage, the Stock Exchange trading fee, the SFC transaction levy and investor compensation fee payable) and up to the value of Pool B.

Investors should be aware that applications in Pool A and applications in Pool B may receive different allocation ratios. If the Hong Kong Offer Shares in one (but not both) of the Pools are under-subscribed, the surplus Hong Kong Offer Shares will be transferred to the other Pool to satisfy demand in the Pool and be allocated accordingly.

Applicants can only receive an allocation of the Offer Shares from either Pool A or Pool B but not from both Pools. Multiple or suspected multiple applications and any application for more than the total number of the Hong Kong Offer Shares initially allocated to each Pool under the Hong Kong Public Offering, which is 21,008,000 Shares, will be rejected. Each applicant under the Hong Kong Public Offering will also be required to give an undertaking and confirmation in the Application Form submitted by him or her that he or she and any person(s) for whose benefit he or she is making the application have not indicated an interest for or taken up and will not indicate an interest for or take up any International Placing Shares, and such applicant’s application will be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be).

The Bookrunner (on behalf of the Underwriters) may require any investor who has been offered Offer Shares under the International Placing, and who has made an application under the Hong Kong Public Offering to provide sufficient information to the Bookrunner so as to allow them to identify the relevant applications under the Hong Kong Public Offering and to ensure that it is excluded from any application of Offer Shares under the Hong Kong Public Offering.

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The Offer Price will be not more than HK\$3.70 and is expected to be not less than HK\$2.77. Applicants for Hong Kong Offer Shares under the Hong Kong Public Offering are required to pay, on application, the maximum offer price of HK\$3.70 for each Hong Kong Offer Share. If the Offer Price is less than HK\$3.70, appropriate refund payments (including the brokerage, SFC transaction levy, the investor compensation levy and Stock Exchange trading fee attributable to the surplus application monies) will be made to successful applicants. Further details are set out below in the section entitled “How to Apply for Hong Kong Offer Shares — Refund of application monies.”

If the number of Offer Shares validly applied for in the Hong Kong Public Offering represents (i) 15 times or more but less than 50 times, (ii) 50 times or more but less than 100 times, and (iii) 100 times or more, of the number of Offer Shares initially available under the Hong Kong Public Offering, the total number of Offer Shares available under the Hong Kong Public Offering will be increased to 126,048,000, 168,064,000 and 210,080,000 Offer Shares, respectively, representing approximately 30% (in the case of (i)), 40% (in the case of (ii)) and 50% (in the case of (iii)), respectively, of the total number of Offer Shares initially available under the Offering (before any exercise of the Over-allotment Option). In such cases, the number of Offer Shares allocated in the International Placing will be correspondingly reduced, in such manner as the Bookrunner deems appropriate, and such additional Offer Shares will be allocated to Pool A and Pool B.

The Company will reject multiple applications within Pool A or Pool B, and between the two Pools. The Company, the Directors and the Hong Kong Underwriters will take reasonable steps to identify and reject applicants under the Hong Kong Public Offering from investors who have received Shares in the International Placing, and to identify and reject indications of interest in the International Placing from investors who have received Shares in the Hong Kong Public Offering.

In addition, if the Hong Kong Public Offering is not fully subscribed, the Bookrunner may reallocate to the International Placing all or any unsubscribed Hong Kong Offer Shares in such proportions as they deem appropriate.

References in this Prospectus to applications, Application Forms, application or subscription monies or the procedure for application relate solely to the Hong Kong Public Offering.

THE INTERNATIONAL PLACING

The International Placing will consist of an initial offering of 378,144,500 Offer Shares (i) in the United States to QIBs in reliance on Rule 144A or another exemption under the US Securities Act and (ii) outside the United States in accordance with Regulation S.

Subject to the reallocation of Offer Shares between the International Placing and the Hong Kong Public Offering, the number of Offer Shares initially offered in the International Placing will represent approximately 22.5% of our total issued share capital immediately following the completion of the Offering.

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Allocations of the Offer Shares to investors pursuant to the International Placing will be effected in accordance with the book-building process described in the paragraph entitled “—Pricing and Allocation”.

The Company is expected to grant to the International Purchasers the Over-allotment Option, exercisable by the Global Coordinator (or any of its respective affiliates) on behalf of the International Purchasers, up to the date which is the 30th day after the Listing Date, to require the Company to issue and allot up to an aggregate of 63,024,000 additional Shares, representing approximately 15% of the Offer Shares initially available in the Offering, at the Offer Price. If the International Purchasers sell more Shares than the total number of Offer Shares initially available in the International Placing, such additional Shares will be used to cover these sales. Such additional Shares will be sold on the same terms and conditions as the Offer Shares initially available in the Offering. The Global Coordinator (or any of them or their respective affiliates) may also cover these sales through the stock borrowing arrangements described in the section entitled “Information on this Prospectus—Stabilization”. In the event that the Over-allotment Option is exercised, a press announcement will be made.

In the event that the number of Offer Shares is reduced, the Over-allotment Option will be correspondingly reduced such that it will represent no more than 15% of such reduced number of Offer Shares.

See the section headed “Underwriting—Over-allotment and Stabilization” for a description of possible stabilization activities.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

The Sponsor has made an application on behalf of the Company to the Listing Committee for listing of, and permission to deal in, the existing issued Shares and the Offer Shares and any Shares which may be issued pursuant to the exercise of the Over-allotment Option or of the options which have been granted under the Pre-IPO Share Option Scheme and which may be granted under the Share Option Scheme.

No part of our Share or loan capital is listed or dealt in on any other stock exchange. We are not seeking or proposing to seek a listing or permission to list on any stock exchange in the near future.

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the Shares on the Stock Exchange and the Company complies 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. All necessary arrangements have been made for the Shares to be admitted into CCASS.

Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second trading day after any trading day. Investors should seek

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the advice of their stockbroker or other professional advisor for details of those settlement arrangements as such arrangements will affect their rights and interests.

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

DEALING ARRANGEMENTS

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. on Wednesday, June 16, 2004, it is expected that dealings in the Shares on the Stock Exchange will commence on Wednesday, June 16, 2004.