
HOW TO APPLY FOR NEW ISSUE SHARES

Which application form to use

Use a **white** application form if you want the New Issue Shares issued in your own name.

Use a **yellow** application form if you want the New Issue Shares issued in the name of HKSCC Nominees Limited and deposited directly into CCASS for credit to your investor participant stock account or the stock account of your designated CCASS participant.

Note: The Shares are not available to the Directors of the Company or existing beneficial owners of Shares, or associates of any of them (“associates” as defined in the GEM Listing Rules).

Where to collect the application forms

You can collect a **white** application form and a prospectus from:

1. any member of **The Stock Exchange of Hong Kong Limited**;
2. **ICEA Capital Limited**, 43rd Floor, NatWest Tower, Times Square, Causeway Bay, Hong Kong;
3. **Tai Fook Securities Company Limited**, 25th Floor, New World Tower, 16-18 Queen’s Road Central, Hong Kong;
4. **TIS Taiwan International Securities (HK) Limited**, Unit 1010, Tower Two, Lippo Centre, 89 Queensway, Hong Kong;
5. **Vickers Ballas Capital Limited**, 19th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong;

and any one of the following branch or sub-branches of **Bank of China**:

Hong Kong Island:	Hong Kong branch	3rd Floor, 1 Garden Road, Central
	Central sub-branch	Li Po Chun Chambers, 189 Des Voeux Road Central
	Wanchai sub-branch	395 Hennessy Road, Wanchai
	North Point sub-branch	Ground Floor, Roca Centre, 464 King’s Road, North Point
Kowloon:	Tsim Sha Tsui sub-branch	Ground Floor, Houston Centre, 63 Mody Road, Tsim Sha Tsui
	Yaumatei sub-branch	471 Nathan Road, Yaumatei
	Kwun Tong sub-branch	55 Hoi Yuen Road, Kwun Tong
	Lai Chi Kok sub-branch	Unit 1, Ground Floor, Kowloon Plaza, 485 Castle Peak Road
New Territories:	Tsuen Wan sub-branch	167 Castle Peak Road, Tsuen Wan
	Shatin sub-branch	Ground Floor, Lucky Plaza, Wang Pok Street, Shatin

You can collect a **yellow** application form and a prospectus from:

- (1) The **Service Counter of Hongkong Clearing** at 2nd Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong; and
- (2) The **Investor Service Centre of Hongkong Clearing** at Room 1901, Chinachem Exchange Square, 1 Hoi Wan Street, Quarry Bay, Hong Kong

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How to complete the application form

There are detailed instructions on each application form. You should read these instructions carefully. If you do not follow the instructions your application may be rejected. If your application is made through a duly authorised attorney, the Company and ICEA as its agent may accept it at their discretion, and subject to any conditions they think fit, including evidence of the authority of your attorney.

How many applications may you make?

The only situation where you may make more than one application for shares is if you are a nominee, you may lodge more than one application in your own name on behalf of different owners. In the box on the application form marked “For nominees” you must include:

- an account number; or
- some other identification code

for **each** beneficial owner. If you do not include this information, the application will be treated as being for your benefit.

Otherwise, multiple applications are not allowed.

All of your applications will be rejected as multiple applications if you, or you and joint applicants together:

- make more than one application on a white or yellow application form; or
- apply on one white or yellow application form for more than 100% of the Shares being offered for public subscription.

All of your applications will also be rejected as multiple applications if more than one application is made for **your benefit**. If an application is made by an unlisted company and

- the only business of that company is dealing in securities; and
- you exercise statutory control over that company

then the application will be treated as being for your benefit.

Unlisted company means a company with no equity securities listed on the Stock Exchange.

Statutory control means you:

- *control the composition of the board of directors of the company; or*
- *control more than half the voting power of the company; or*
- *hold more than half the issued share capital of the company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).*

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How much are the New Issue Shares?

The issue price of the shares is HK\$1.20 each. You must also pay brokerage of 1% and a Stock Exchange transaction levy of 0.011%. This means that for every 2,000 Shares you will pay HK\$2,424.26. The application forms have tables showing the exact amount payable for multiples of shares. You must pay the issue price, brokerage and the transaction levy in full when you apply for the shares. If your application is successful, brokerage is paid to members of the Stock Exchange, and the transaction levy is paid to the Stock Exchange.

Members of the public - time for applying for Shares

Completed **white** or **yellow** application forms, with payment attached, must be lodged **by 12:00 noon on 19th November, 1999**, or, if the application lists are not open on that day, then by 12:00 noon on the day the lists are open. Your completed application form, with payment attached, should be deposited in the special collection boxes provided at any of the branch or sub-branches of Bank of China listed on page 81 of this prospectus at the following times:

Tuesday, 16th November, 1999 — 9:00 a.m. to 4:00 p.m.
Wednesday, 17th November, 1999 — 9:00 a.m. to 4:00 p.m.
Thursday, 18th November, 1999 — 9:00 a.m. to 4:00 p.m.
Friday, 19th November, 1999 — 9:00 a.m. to 12:00 noon

The application lists will be open **from 11:45 a.m. to 12:00 noon on Friday, 19th November, 1999**.

Effect of bad weather on the opening of the application lists

The application lists will not open if there is:

- a tropical cyclone warning signal number 8 or above, or
- a “black” rainstorm warning

in force at any time between 9:00 a.m. and 12:00 noon on 19th November, 1999. Instead they will open between 11:45 a.m. and 12:00 noon on the next business day which does not have either of those warnings in force at any time between 9:00 a.m. and 12:00 noon.

Business day means a day that is not a Saturday, Sunday or public holiday in Hong Kong.

Circumstances in which you will not be allotted new shares

Full details of the circumstances in which you will not be allotted Shares are set out in the notes attached to the application forms, and you should read them carefully. You should note in particular the following two situations in which Shares will not be allotted to you:

- **If your application is revoked:**

By completing an application form you agree that you cannot revoke your application before 16th December, 1999. This agreement will take effect as a collateral contract with the Company, and will become binding when you lodge your application form. This collateral contract will be in consideration of the Company agreeing that it will not offer any Shares to any person before 16th December, 1999 except by this prospectus. You may only revoke your application before 16th December, 1999 if a person responsible for this prospectus under

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section 40 of the Companies Ordinance gives a public notice under that section which excludes or limits the responsibility of that person for this prospectus. If your application has been accepted, it cannot be revoked.

- **If the allotment of Shares is void:**

Your allotment of Shares will be void if the GEM Listing Committee does not grant permission to list the new shares either:

- within 3 weeks from the closing of the application lists; or
- within a longer period of up to 6 weeks if the GEM Listing Committee notifies the Company of that longer period within 3 weeks of the closing of the lists.

Collection/despatch of share certificates/refund cheques and deposit of share certificates into CCASS

WHITE application forms:

If you have applied for 200,000 New Issue Shares or above and have indicated on your application form that you will collect your share certificate(s) and refund cheque (if any) in person, you may collect it/them in person from:

HKSCC Registrars Limited
2nd Floor
Vicwood Plaza
199 Des Voeux Road Central
Hong Kong

between 9:00 a.m. and 1:00 p.m. on the date notified by the Company in the newspapers as the date of despatch of share certificates. This is expected to be 24th November, 1999.

Applicants being individuals who opt for personal collection must not authorise any other person to make their collection on their behalf. Applicants being corporations who opt for personal collection must attend by their authorised representatives bearing letters of authorisation from their corporations stamped with the corporations' chop. Both individuals and authorised representatives (if applicable) must produce at the time of collection evidence of identity acceptable to HKSCC Registrars Limited.

If you do not collect your share certificate(s) and/or refund cheque (if any) in person within the time specified for collection, it/they will be sent to the address on your application form shortly after the date of despatch, by ordinary post and at your own risk.

If you have applied for 200,000 New Issue Shares or above and have not indicated on your application form that you will collect your share certificate(s) and refund cheque (if any) in person, or if you have applied for less than 200,000 New Issue Shares, then your share certificate(s) and/or refund cheque (if any) will be sent to the address on your application form on the date of despatch, by ordinary post and at your own risk.

YELLOW application forms:

Your share certificate(s) will be issued in the name of HKSCC Nominees Limited and deposited into CCASS for credit to your investor participant stock account or the stock account of your designated CCASS participant as instructed by you at the close of business on 24th November, 1999, or on any other date as shall be determined by Hongkong Clearing or HKSCC Nominees Limited.

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If you are applying through a designated CCASS participant (other than an investor participant):

- for New Issue Shares credited to the stock account of your designated CCASS participant (other than an investor participant), you can check the number of New Issue Shares allotted to you with that CCASS participant.

If you are applying as an investor participant:

- the Company will publish the results of investor participants' applications together with the results of the New Issue in the newspapers and on the GEM Website on 23rd November, 1999. You should check against the announcement published by the Company and report any discrepancies to Hongkong Clearing before 12:00 noon on 24th November, 1999 or such other date as shall be determined by Hongkong Clearing or HKSCC Nominees Limited. On 25th November, 1999 (the next day following the credit of the New Issue Shares to your stock account) you can check your new account balance via the CCASS Phone System (under the procedures contained in Hongkong Clearing's "An Operating Guide for Investor Participants" in effect from time to time). Hongkong Clearing will also mail to you an Activity Statement showing the number of New Issue Shares credited to your stock account.

If you have applied for 200,000 New Issue Shares or above and have indicated on your application form that you will collect your refund cheque in person, the procedures set out in the subsection headed "**WHITE** application forms" above will apply.

If you have applied for less than 200,000 New Issue Shares, your refund cheque (if any) will be sent to the address on your application form on the date of despatch, which is expected to be 24th November, 1999, by ordinary post and at your own risk.

Commencement of dealings in the Shares

Dealings in the Shares is expected to commence on 25th November, 1999.

Shares will be traded in board lots of 2,000 each.

Shares will be eligible for admission into CCASS

Subject to the granting of listing of, and permission to deal in, the Shares on GEM as well as the compliance with the stock admission requirements of Hongkong Clearing, the Shares will be accepted as eligible securities by Hongkong Clearing for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the shares on GEM or on any other date Hongkong Clearing chooses. Settlement of transactions between members 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.

You should seek the advice of your stockbroker or other professional adviser for details of arrangements of settlement of transactions of Shares through CCASS and on how these arrangements will affect your rights and interests.