
SUMMARY

This summary aims to provide you an overview of the information contained in this prospectus. As a summary, it may not contain all information that may be regarded as important by you. You should read the whole document prior to making a decision to invest in the Placing Shares.

There are risks associated with investment in companies listed on GEM. Some of the particular risks in investing in the Placing Shares are set out in the section headed "Risk factors". You should read that section carefully prior to making a decision to invest in the Company.

BUSINESS

The Group is principally engaged in the research and development, production and sale of (i) a series of biopharmaceutical products for the medical treatment of ophthalmia through CTF and (ii) a series of modernised Chinese medicines and chemical medicines for the medical treatment of hepatitis through CTT. CTF and CTT are sino-foreign equity joint venture companies, of which the Company holds 55 per cent. and 60 per cent. equity interests, respectively. For each of the two years ended 31 December, 1999 and the five months ended 31 May, 2000, approximately 36 per cent., approximately 40 per cent. and approximately 43 per cent., respectively, of the Group's total sales were derived from the biopharmaceutical business of CTF, whereas approximately 64 per cent., approximately 60 per cent. and approximately 57 per cent. of the Group's total sales were derived from the modernised Chinese medicine and chemical medicine businesses of CTT.

The principal business of CTF

CTF is principally engaged in the research and development, production and sale of biopharmaceutical products for the medical treatment of ophthalmia. According to the PRC Biopharmaceutical Economy Statistics Report of 1999, CTF was one of the largest biopharmaceutical producers in the PRC by production volume, the third largest by total sales and the second most profitable biopharmaceuticals company in the PRC.

With its production facilities in Jinan, Shandong Province, the PRC, CTF currently produces 10 different biopharmaceutical products, all of which use hyaluronan (透明質酸) as substrates. Hyaluronan, consisting of big polysaccharide molecule (黏多糖類大分子), is a natural moisturising agent with a high degree of adhesion. Eye drops and injections using hyaluronan as substrates have a higher degree of adhesion and slower dilution than traditional eye drops and injections.

CTF was the first enterprise to be given approval to research and produce ophthalmic medicine using hyaluronan in the PRC. The Directors believe that CTF has expertise in researching and developing the medical applications of hyaluronan in the PRC.

One of the principal products of CTF is Moisten eyedrops (潤舒滴眼液), which is used primarily for treating eye diseases such as xerophthalmia (乾眼症), trachomatous conjunctivitis (結膜炎), trachoma (沙眼) and keratitis (角膜炎). According to the "PRC Non-prescription drugs Survey — 1999", Moisten eyedrops was ranked one of the top ten medical products in terms of sales in the retail medicines system. According to the "PRC Pharmaceutical Retail Analysis System Report" ("中國藥品零售分析系統報告") issued in August, 1999, Moisten eyedrops was also ranked first in terms of sales among retail medicines for eye, ear, nose and throat diseases in the PRC. Since the

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introduction into the PRC market, the sales of Moisten eyedrops have grown at an average annual rate of approximately 121 per cent. between 1995 and 1999. For the year ended 31 December, 1999, the sales of Moisten eyedrops reached approximately HK\$84.3 million. In 1998, the sales of ophthalmic medicines produced by CTF accounted for approximately 6 per cent. of the total sales of ophthalmic medicine in the PRC.

The production approval (魯衛藥准字 (93) 1236-127) for Moisten eyedrops was first granted by the Public Health Department of Shandong Province in 1993. The sales of Moisten eyedrops accounted for approximately 71 per cent., approximately 68 per cent. and approximately 65 per cent. of the total sales of CTF, and approximately 25 per cent., approximately 28 per cent. and approximately 28 per cent. of the total sales of the Group, for each of the two years ended 31 December, 1999 and the five months ended 31 May, 2000, respectively.

The six ophthalmic medicines produced by CTF, including Moisten eyedrops, have patent registrations in the PRC, and all chloromycetin eyedrops containing hyaluronan produced by CTF and their production methods are also patented. The Directors believe that CTF possesses significant competitive advantages in research and development of ophthalmic medicines. Going forward, the Directors expect the demand for Moisten eyedrops will experience significant growth in the PRC as the product is more effective than traditional eyedrops, and its price is generally lower than that of imported products.

The principal business of CTT

With its production facilities in Lianyungang, Jiangsu Province, the PRC, CTT currently produces approximately 80 different types of modernised Chinese medicine and chemical medicine. The principal products of CTT are Diammonii Glycyrrhizinatis (甘利欣) and Polyporus Polysaccharide Injection (豬苓多糖注射劑), which are used in the medical treatment of hepatitis. According to “The PRC Health Yearbook 1999” the PRC has approximately 120 million hepatitis B virus carriers and hepatitis B and C virus patients reached approximately 75 million as at 31 December, 1999. The total amount of medical expenses incurred by hepatitis patients in the PRC in each year was between approximately RMB30 and 50 billion.

CTT has been certified by the Research Institute of the Scientific Development of Public Health and Pharmaceutical of the MPH as the first pharmaceutical enterprise in the PRC to apply licorice (甘草) in the research and production of modernised Chinese medicine for treating hepatitis. Its product, Diammonii Glycyrrhizinatis, was certified as the premier licorice medicine for the medical treatment of hepatitis. The functions of Diammonii Glycyrrhizinatis include anti-inflammation, protection of membranes of liver cells and enhancement of liver functions. The chemical ingredients for making Diammonii Glycyrrhizinatis are extracted and separated from licorices using botanical-chemical method, and alpha licorice acid, which is highly effective in treating hepatitis, is subsequently obtained from these chemical ingredients. Alpha licorice acid has the characteristics of high activation, high lipotropism and easy assimilation by the human body. Through its research and development, CTT has produced Diammonii Glycyrrhizinatis in the form of injections and capsules, which are included in the State Basic Pharmaceuticals Catalogue. The medicine approval certificates ((94) 衛藥准字 x-74號 and (94) 衛藥准字 x-75號) for Diammonii Glycyrrhizinatis were granted by MPH in 1994.

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Polyporuse Polysaccharide injection, also a modernised Chinese medicine, is CTT's other product. It is produced by the extraction of polysaccharide (多糖類成份) from umbellate pore fungus (豬苓), a Chinese herbal medicine. Polyporuse Polysaccharide injection received production approval (蘇衛藥准字 (91) 1857-1) from the Public Health Department of Jiangsu Province, the PRC in 1991, and is classified as a Class 2 state protected Chinese medicine. The Directors believe that CTT has secured a leading position in the research and production of Chinese medicine for the treatment of hepatitis.

For each of the two years ended 31 December, 1999 and the five months ended 31 May, 2000, the aggregate sales of Diammonii Glycyrrhizinatis injection, Diammonii Glycyrrhizinatis capsule and Polyporuse Polysaccharide injection accounted for approximately 56 per cent., approximately 68 per cent. and approximately 71 per cent. of the sales of CTT and approximately 36 per cent., approximately 41 per cent. and approximately 41 per cent. of the total sales of the Group, respectively.

COMPETITIVE ADVANTAGES

The Directors believe that the Group's competitive advantages are as follows:—

- the Group's operations have achieved economies of scale and the Group's products for ophthalmia, such as Moistening eye drops, and modernised Chinese medicine for hepatitis treatment, such as Diammonii Glycyrrhizinatis and Polyporuse Polysaccharide injections, are well established in the market. These products provide a solid foundation for the future business development of the Group;
- the Group's research and development team and its long-standing research and development relationship with Shandong Research Institute have enabled it to command a leading position in the PRC in the research and development of the medical applications of hyaluronan. Particulars of the arrangement and information regarding Shandong Research Institute are set forth in the section headed "Relationship with Shandong Biopharmaceutical and Jiangsu Tianqing" in this prospectus;
- the Group's research and development personnel, and its technologies and production facilities for conducting extraction, separation, purification and preparation of Chinese herbal medicine have enabled it to enjoy considerable advantages in the modernisation of TCM production in the PRC;
- the Group has a leading position in the PRC in the development and production of modernised Chinese medicine using alpha licorice acid for the medical treatment of hepatitis;
- the Group's patent in respect of the production methods of chloramphenicol eye drops containing hyaluronan has consolidated its competitive advantage in the PRC ophthalmic medicine market;
- the Group's experience in the research and development of biopharmaceuticals and modernised Chinese medicine has enabled it to enhance and improve the production process and quality control of the Group's new products;
- the Group's principal products have obtained GMP certification;

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- the Directors and the senior management of the Group are experienced in different fields of research, development, production, marketing and corporate management in the pharmaceutical industry in the PRC; and
- the wide reach of the Group's existing distribution networks.

BUSINESS STRATEGY

The business strategy of the Group is to promote the use of biopharmaceutical medicine in the PRC and enhance the modernisation process of TCM to bring about further growth in the core business of the Group. The Directors are of the opinion that the medicine industry in the PRC possesses high growth potential. To capitalise on this growth, the Group intends to adopt the following principal business strategies:—

- **Focus on the development of biopharmaceutical products and modernised Chinese medicine**

The Directors believe that the Group possesses expertise in using hyaluronan and low molecular heparin in the research, development and production of biopharmaceutical products in the PRC and has experience in extraction, separation and synthesis of medicinal ingredients in Chinese herbal materials and, in particular, applying alpha licorice acid in the production of modernised Chinese medicine for the treatment of hepatitis. The Group will continue to focus on developing these products.

- **Expand through mergers, acquisitions, cooperative arrangements, strategic alliances and joint ventures**

The Group will continue to seek suitable investment candidates and business partnerships, including strategic alliances with foreign and PRC-based pharmaceutical companies in order to further expand and strengthen its core business.

- **Further expand production capacity and research and development capabilities to meet the increasing demand in the PRC**

The Directors intend to further expand production capacity and its research and development capabilities to further strengthen the competitive advantages currently enjoyed by the Group. It is also one of the business objectives of the Group to further develop new products in order to meet the increasing demand in the PRC, in particular, the needs of the aging population.

- **Further expand distribution networks and sales teams and strengthen the brandnames through promotional activities**

The Directors believe that, in view of the vast geographical span and population in the PRC, it is feasible for the Group to further expand its existing distribution networks and sales outlets from its present coverage to regional cities and rural areas in the PRC.

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— **Further enhance and refine production technologies and facilities**

The Directors intend to improve the Group's product quality by upgrading its production technologies and facilities and intend to actively seek certification of its products by international organisations to ensure international standards are achieved. This will facilitate expansion into overseas markets.

— **Diversify into new realms of the biopharmaceuticals sectors**

The Directors believe that the biopharmaceuticals industry in the PRC is still in its infancy. The development in genetic technology is expected to improve the treatment and the prevention of genetic diseases and stimulate the development of biopharmaceutical products. The Group will seek to cooperate with enterprises which possess advanced genetic technology and/or acquire proprietary technologies.

— **Establish the Group's website with the medium-term objective of engaging in e-commerce**

The Directors plan to establish a website to enhance the core businesses of the Group. Initially, the website will be used to advertise the Group's products and to gauge market demand. The medium-term objective is to develop the website into a sales channel and an e-commerce platform for the Group's products.

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BUSINESS OBJECTIVES

The Directors intend to build on the competitive advantages of the Group in its two core businesses in the PRC market and to become a leading producer of ophthalmic biopharmaceuticals and modernised Chinese medicine for the medical treatment of hepatitis.

The chart below illustrates business objectives and the implementation plans of the Group for each of the five consecutive six-month periods from the Latest Practicable Date to 31 December, 2002:—

Principal business activities	Implementation plans	From the Latest Practicable Date to 31 December, 2000	For the six months ending			
			30 June, 2001	31 December, 2001	30 June, 2002	31 December, 2002
Research and development	<p>Establish a research and development centre in Beijing</p> <p>Product research and development activities carried out by CTF</p> <p>Product research and development activities carried out by CTT</p>	○	□		△	~~~~~
Production of biopharmaceutical products	<p>Establish business alliances with pharmaceutical enterprises in the fields of biopharmaceutical, Chinese medicine and/or natural herbal products</p> <p>Expand existing business</p>	○	□		△	~~~~~
Marketing and sales	<p>Expand and consolidate distribution networks</p> <p>Establish website of the Group and e-commerce activities</p>	○	□		△	~~~~~
		○	□		△	~~~~~

Keys: ○ preparation stage □ implementation stage △ initial completion stage ~~~~ on-going development

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RISK FACTORS

The Directors are of the opinion that there are certain risks involved in investing in the Company. These risks can be divided into: (i) risks relating to the business of the Group; (ii) risks relating to the industry; (iii) risks relating to the PRC; (iv) risks relating to the Shares; and (v) issues to consider in relation to certain statements made in this prospectus, details of which are set out under the section headed “Risk factors” in this prospectus:—

Risks relating to the business of the Group

- Funding requirements for the implementation of the business objectives of the Group
- Reliance on the PRC market
- Dependence on joint venture partners
- Competing businesses of the controlling shareholder of the Company
- Permits and business licenses required in the production and/or trading of biopharmaceutical products in the PRC
- Good Manufacturing Practice
- Reliance on certain suppliers
- Fluctuations in prices of raw materials
- Land ownership
- Preferential tax treatment
- Product concentration
- Dividend policy
- Research and development risk
- Imitation of medicines
- Risks with the use of Internet as a means of conducting business
- Implementations of the Group’s strategies in achieving its business objectives
- Product liability insurance

Risks relating to the industry

- Medicare reforms in the PRC
- Product protection
- Product substitution
- Competition
- Price controls
- WTO

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Risks relating to the PRC

- Economic considerations
- Political and social considerations
- Legal considerations
- Currency conversion and foreign exchange control

Risks relating to the Shares

- Protection of the interests of minority shareholders under the laws of the Cayman Islands
- Liquidity and possible price volatility of the Shares
- Control by the Initial Management Shareholders

Issues to consider in relation to certain statements made in this prospectus

- Forward-looking statements contained in this prospectus

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TRADING RECORD

The SFC has granted a waiver from strict compliance with paragraph 27 of Part I of the Third Schedule and paragraph 31 of Part II of the Third Schedule to the Companies Ordinance so that the Group is only required to include in this prospectus the financial results and information covering the two years ended 31 December, 1999 and the five months ended 31 May, 2000.

The following is a summary of the combined results of the Group for each of the two years ended 31 December, 1999 and the five months ended 31 May, 2000. This summary has been prepared on the basis that the existing structure of the Group had been in place throughout the Track Record Period and should be read in conjunction with the Accountants' Report set out in Appendix I to this prospectus.

	Year ended 31 December,		Five months ended 31 May,
	1998	1999	2000
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Turnover (<i>Note 1</i>)	237,972	305,776	151,227
Cost of sales	(74,080)	(82,161)	(31,870)
Gross profit	163,892	223,615	119,357
Less: Selling expenses	(84,114)	(112,838)	(59,754)
Administrative expenses	(36,147)	(44,698)	(18,511)
Finance charges	(4,400)	(3,721)	(1,176)
Other (expenses)/income	(331)	(1,825)	59
Add: Interest income	1,000	881	832
Profit before taxation	39,900	61,414	40,807
Taxation	—	(2,611)	(3,577)
Profit before minority interests	39,900	58,803	37,230
Minority interests	(17,796)	(22,969)	(15,752)
Profit attributable to shareholders	22,104	35,834	21,478
Dividends	—	24,820	—
Earnings per Share — Basic (<i>Note 2</i>)	HK9.2 cents	HK14.9 cents	HK8.9 cents

Notes:—

1. Turnover represents the invoiced value of goods sold, net of discounts and returns, sales tax refunds and dividend income.
2. The calculation of the basic earnings per Share is based on the net profit attributable to shareholders during the Track Record Period and on the assumption that 240,000,000 shares had been in issue throughout the Track Record Period.

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USE OF PROCEEDS

The net proceeds from the Placing, after deducting related expenses, are estimated to be approximately HK\$60 million. The Directors presently intend to use such net proceeds as follows:—

	From the Latest Practicable Date to 31 December, 2000	30 June, 2001	Six months ending 31 December, 2001	30 June, 2002	31 December, 2002	Total
	<i>Not more than (HK\$' million)</i>					
For the research and development activities including the establishment of a research and development centre in Beijing	5.0	3.0	2.0	3.0	2.0	15.0
For the establishment of business alliances with pharmaceutical enterprises in the fields of biopharmaceutical, Chinese medicine and/or natural herbal products	—	10.0	10.0	—	—	20.0
For the expansion of the distribution networks of the Group	5.0	5.0	—	—	—	10.0
For the establishment of the Group's website and commencement of e-commerce	1.0	0.5	0.5	0.5	0.5	3.0
General working capital	4.0	2.0	2.0	2.0	2.0	12.0
	<u>15.0</u>	<u>20.5</u>	<u>14.5</u>	<u>5.5</u>	<u>4.5</u>	<u>60.0</u>

In the event that the Over-allotment Option is exercised in full and based on the Issue Price, the additional net proceeds of approximately HK\$10.8 million will be applied by the Company for general working capital of the Group to support its ongoing operations and expansion.

To the extent that the net proceeds of the Placing are not immediately required for the above purposes, it is the present intention of the Directors that such proceeds should be placed on short-term deposits with banks or financial institutions in Hong Kong.

The Directors believe that the net proceeds from the Placing will not be sufficient to finance all planned and/or intended projects of the Group as described in the section headed “Statement of business objectives” in this prospectus. The Directors currently estimate that an additional funding of no more than approximately HK\$85.8 million may be required to achieve all the business objectives of the Group up to 31 December, 2002 including, in particular, the expansion of the production facilities of CTF and CTT, subject to the achievement of all other respects of the business plans of the Group and the same bases and assumptions as stated in the section headed “Statement of business objectives” in this prospectus. The Directors believe that the Group will be able to satisfy such additional funding requirements through internally generated financial resources and banking facilities. In the event that there is any material change in the use of proceeds from the Placing, the Company will make a separate announcement.

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PROFIT FORECAST FOR THE YEAR ENDING 31 DECEMBER, 2000

Forecast combined profit after taxation and minority interests

but before extraordinary items (*Note 1*) not less than HK\$39 million

Forecast earnings per Share

(a) pro forma fully diluted (*Note 2*) HK14.0 cents

(b) weighted average (*Note 3*) HK15.2 cents

Notes:—

1. The bases and assumptions on which the forecast combined profit after taxation and minority interests but before extraordinary items of the Group has been prepared are set forth in Appendix II to this prospectus. The Directors are not aware of any extraordinary items which have arisen or are likely to arise during the year ending 31 December, 2000.
2. The calculation of the forecast earnings per Share on a pro forma fully diluted basis is based on the forecast combined profit after taxation and minority interests but before extraordinary items of the Group for the year ending 31 December, 2000 assuming that the Company had been listed since 1 January, 2000 and a total of 300,000,000 Shares had been in issue throughout the year. The calculation does not take into account any Shares that may be allotted and issued pursuant to the Over-allotment Option or of any options which may be granted pursuant to the Share Option Scheme. If the Over-allotment Option is exercised in full, the number of Shares expected to be in issue would be 309,000,000 Shares and the forecast pro forma fully diluted earnings per Share would be HK13.8 cents.

For the purpose of this calculation, the forecast combined profit after taxation and minority interests but before extraordinary items of the Group for the year ending 31 December, 2000 has been adjusted to take into account the interest income that would have been earned if the net proceeds of the Placing had been received on 1 January, 2000 and held on deposit thereafter, based on an interest rate (net of tax) of 5.0 per cent. per annum for the whole year.

3. The calculation of the forecast earnings per Share on a weighted average basis is based on the forecast combined profit after taxation and minority interests but before extraordinary items of the Group for the year ending 31 December, 2000 and the weighted average number of 255,737,705 Shares expected to be in issue during that year.

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PLACING STATISTICS *(Note 1)*

Market capitalisation *(Note 2)*.HK\$360 million

Prospective price/earnings multiple

(a) pro forma fully diluted *(Note 3)* 8.57 times

(b) weighted average *(Note 4)* 7.9 times

Adjusted net tangible asset value per Share *(Note 5)* HK63 cents

Notes:—

1. Except where otherwise indicated, the statistics have been prepared on the assumption that no Shares will be allotted and issued pursuant to the Over-allotment Option or of any option which may be granted pursuant to the Share Option Scheme.
2. The calculation of market capitalisation of the Company is based on the Issue Price and 300,000,000 Shares in issue immediately after completion of the Placing but takes no account of any Shares which may be issued upon the exercise of the Over-allotment Option and the options granted pursuant to the Share Option Scheme or of any Shares which may be allotted or issued or repurchased by the Company pursuant to the mandates referred to in Appendix V to this prospectus. If the Over-allotment Option is exercised in full, the market capitalisation of the Company at the Issue Price would be approximately HK\$370.8 million.
3. The calculation of the prospective price/earnings multiple on a pro forma fully diluted basis is based on the forecast earnings per Share on a pro forma fully diluted basis for the year ending 31 December, 2000 of approximately HK14.0 cents and the Issue Price.
4. The calculation of the prospective price/earnings multiple on a weighted average basis is based on the forecast earnings per Share on a weighted average basis of the year ending 31 December, 2000 of approximately HK15.2 cents and the Issue Price.
5. The adjusted net tangible asset value per Share has been arrived at after the adjustments referred to under “Adjusted net tangible assets” in the section headed “Financial Information” in this prospectus and on the basis of 300,000,000 Shares in issue and to be issued as mentioned herein, but takes no account of any Shares which may fall to be issued pursuant to the exercise of the Over-allotment Option or the options granted under the Share Option Scheme, or which may be allotted and issued or repurchased by the Company pursuant to the general mandates for the allotment and issue or repurchase of Shares granted to the Directors referred to in the paragraph headed “Written resolutions of the sole shareholder of the Company passed on 20 June, 2000 and 19 September, 2000” in the section headed “Further Information about the Company” in Appendix V to this prospectus.

If the Over-allotment Option is exercised in full or in part, the adjusted net asset value per Share will increase, whilst the earnings per Share will be diluted correspondingly.

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MORATORIUM PERIOD APPLICABLE TO THE INITIAL MANAGEMENT SHAREHOLDERS

Name of the Initial Management Shareholders	Number of Shares or attributable number of Shares held immediately after the Placing	Approximate percentage of shareholding or attributable percentage of shareholding immediately after the Placing <i>(Note 3)</i>	Moratorium period from the date on which dealings in the Shares on GEM commence <i>(Note 4)</i>
Conspicuous Group Limited <i>(Note 1)</i>	108,000,000	36.00	6 months
Remarkable Industries Limited <i>(Note 1)</i>	57,317,760	19.11	6 months
Validated Profits Limited <i>(Note 1)</i>	65,802,240	21.93	6 months
Discover Profits Limited <i>(Note 2)</i>	8,880,000	2.96	6 months

Notes:—

1. Each of Conspicuous Group Limited, Remarkable Industries Limited and Validated Profits Limited is an investment holding company wholly owned by Mr. Tse Ping who is the chairman of the Group and an executive Director.
2. Discover Profits Limited is an investment holding company wholly owned by Mr. Wang Jinyu who is an executive Director.
3. Assuming that the options granted or to be granted under the Over-allotment Option and the Share Option Scheme are not exercised.
4. Each of Mr. Tse Ping, Mr. Wang Jinyu, Conspicuous Group Limited, Remarkable Industries Limited, Validated Profits Limited and Discover Profits Limited, being the Initial Management Shareholders, has undertaken with the Stock Exchange, the Company and DBS Asia (acting on behalf of the Underwriters) that it/he will not dispose of any of its/his direct or indirect interests in the Shares held by it/him immediately following completion of the Placing during the 6 months following commencement of dealings in the Shares on GEM.

Each of Mr. Tse Ping, Conspicuous Group Limited, Remarkable Industries Limited and Validated Profits Limited has further undertaken to the Company, DBS Asia (acting on behalf of the Underwriters) and the Stock Exchange that he/it shall not dispose of any of his or its direct or indirect interests in the Company which would result in the aggregate number of Shares held by them falling below 35 per cent. of the issued share capital of the Company during a period of six months immediately after the first six month period after dealings in the Shares on GEM commence. Particulars of the undertakings are set out in the section headed “Undertakings given by Initial Management Shareholders” in this prospectus.

Particulars of the waiver granted by the Stock Exchange are set forth in the section headed “Waivers from strict compliance with the GEM Listing Rules and the Companies Ordinance” in this prospectus.

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SHAREHOLDERS OF THE COMPANY FOLLOWING COMPLETION OF THE REORGANISATION

Particulars of the Reorganisation are set forth in Appendix V to this prospectus. As a result of the Reorganisation, the existing shareholders' interests in the Company immediately following completion of the Placing (assuming that the options granted or to be granted pursuant to the Over-allotment Option and under the Share Options Scheme are not exercised) are summarised as follows:—

Name of shareholders	Number of Shares held immediately after the Placing	Approximate percentage of shareholding immediately after the Placing <i>(Note 3)</i>	Approximate cost of investment per Share <i>HK\$ cents</i>	Approximate total cost of investment <i>(Note 4)</i> <i>HK\$</i>
Conspicuous Group Limited <i>(Note 1)</i>	108,000,000	36.00	33.15	35,796,207.63
Remarkable Industries Limited <i>(Note 1)</i>	57,317,760	19.11	33.15	18,997,763.32
Validated Profits Limited <i>(Note 1)</i>	65,802,240	21.93	33.15	21,809,913.39
Discover Profits Limited <i>(Note 2)</i>	8,880,000	2.96	0.01	909.00

Notes:—

1. Each of Conspicuous Group Limited, Remarkable Industries Limited and Validated Profits Limited is an investment holding company and is wholly owned by Mr. Tse Ping who is the chairman of the Group and an executive Director.
2. Discover Profits Limited is an investment holding company and is wholly owned by Mr. Wang Jinyu who is an executive Director.
3. Assuming that the options granted or to be granted pursuant to the Over-allotment Option or under the Share Option Scheme are not exercised.
4. This represents the actual amount of consideration paid by each of the shareholders of the Company for their respective interests in the Group prior to the Reorganisation.