

SHARE CAPITAL

The authorised and issued share capital of the Company is as follows:

<i>Authorised Share capital:</i>		<i>HK\$</i>
<u>10,000,000,000</u>	Shares	<u>500,000,000</u>
<i>Shares issued and to be issued, fully paid or credited as fully paid:</i>		
100,000	Shares in issue	5,000
340,000,000	Shares to be issued under the Placing	17,000,000
<u>1,359,760,000</u>	Shares to be issued under the Capitalisation Issue	<u>67,988,000</u>
<u>1,699,860,000</u>	Shares	<u>84,993,000</u>

Notes:

Assumptions

The above table assumes that the Placing becomes unconditional.

It takes no account of any Shares which may be issued under the Over-allotment Option or pursuant to the exercise of options which may be granted under the Share Option Scheme or of any Shares which may be allotted and issued or purchased by the Company pursuant to the general mandates for the allotment and issue or purchase of Shares granted to the Directors as described below.

Ranking

The Placing Shares and the Shares to be issued as stated herein will rank equally with all other Shares now in issue or to be issued and will qualify in full for all dividends and other distributions declared, paid or made on the Shares after the date of this prospectus other than participation in the Capitalisation Issue.

Share Option Scheme

The Company has conditionally adopted the Share Option Scheme, the principal terms of which are summarised in the paragraph headed "Share Option Scheme" in Appendix V to this prospectus, under which options to subscribe for Shares representing up to 30 per cent. of the issued share capital of the Company from time to time (excluding Shares issued pursuant to the exercise of the options granted under the Share Option Scheme and any other schemes and any pro rata entitlement to further shares issued) may be granted to employees (including executive directors but excluding the non-executive director and independent non-executive directors) of the Group.

General mandate to allot and issue Shares

The Directors have been granted a general unconditional mandate to allot, issue and deal with the Shares with a total nominal value of not more than the sum of:

1. 20 per cent. of the aggregate of total nominal amount of the share capital of the Company in issue immediately following completion of the Placing and Capitalisation Issue and the total nominal value of the share capital of the Company which may be issued pursuant to the exercise of the Over-allotment Option; and
2. the total nominal amount of the share capital of the Company repurchased by the Company (if any) pursuant to the general mandate for the repurchase of the Shares granted to the Directors referred to below.

The Directors may, in addition to Shares which they are authorised to Issue under the above mandate, allot, issue and deal with the Shares under a rights issue, scrip dividend scheme or similar arrangement; or, the Shares may be issued upon the exercise of options granted under the Share Option Scheme.

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 any applicable laws or the articles of association of the Company 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.

For further details of this general mandate, see the sub-paragraph headed “Written Resolutions of the Sole Shareholder of the Company passed on 22nd June, 2001” in the paragraph headed “Further information about the Company and its Subsidiaries” in Appendix V to this prospectus.

General mandate to repurchase Shares

The Directors have been granted a general unconditional mandate to exercise all the powers of the Company to buy back Shares with a total nominal value of not more than 10 per cent. of the total nominal amount of the share capital of the Company in issue immediately following completion of the Placing and the Capitalisation Issue and the total nominal value of share capital of the Company which may be issued pursuant to the exercise of the Over-allotment Option.

This mandate only relates to repurchases made on the GEM, or on any other stock exchange on which the Shares are listed (and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose), and which are in accordance with the GEM Listing Rules. A summary of the relevant GEM Listing Rules is set out in the sub-paragraph headed “Repurchase by the Company of its Own Securities” in the paragraph headed “Further Information about the Company and its Subsidiaries” in Appendix V to this prospectus.

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 any applicable laws or the articles of association of the Company 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.