

SHARE CAPITAL

HK\$

Authorised share capital:

1,000,000,000 Shares	100,000,000
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Issued and to be issued, fully paid or credited as fully paid:

1,000,000 Shares in issue	100,000
269,000,000 Shares to be issued pursuant to the Capitalisation Issue	26,900,000
<u>67,500,000 Shares to be issued under the Placing</u>	<u>6,750,000</u>
 <u>337,500,000 Shares</u>	 <u>33,750,000</u>

Notes:

Minimum Public Float

Pursuant to Rule 11.23(1) of the GEM Listing Rules, at the time of listing and at all times thereafter, the Company must maintain the “minimum prescribed percentage” of its issued share capital in the hands of the public which, in the case of the Company, is not less than 20 per cent.

Assumption

This table assumes that the Placing and the Capitalisation Issue becomes unconditional.

It takes no account of any Shares which may be issued under the general mandate to issue Shares (see below) or Shares which may be repurchased by the Company (see below) or Shares which may be issued upon exercise of options granted under the Share Option Scheme.

Over-allotment Option

If the Over-allotment Option is exercised in full, the Company will issue a further 10,125,000 Shares.

Ranking

The Shares to be issued under the Placing and the Over-allotment Option will rank equally with all Shares now in issue or to be issued as mentioned in this prospectus and will qualify for all dividends or other distributions declared, made or paid after the date of this prospectus.

General mandate to issue Shares

Subject to the Placing becoming unconditional, the Directors have been granted a general unconditional mandate to allot or issue and deal with unissued Shares with an aggregate nominal value of not more than:

- (a) 20 per cent. of the aggregate nominal value of the share capital of the Company in issue immediately following the completion of the Placing and the Capitalisation Issue (such share capital shall include the Shares which may be issued pursuant to the Over-allotment Option); and
- (b) the aggregate nominal value of the share capital of the Company repurchased by the Company (if any).

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This mandate does not cover the Shares to be allotted, issued or dealt with under, among other things, a rights issue.

The mandate will expire:

- at the conclusion of the next annual general meeting of the Company; or
 - at the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Articles to be held; or
 - when varied or revoked by an ordinary resolution of shareholders of the Company in general meeting,
- whichever is the earliest.

For further details of this general mandate, see the paragraph headed “Written resolutions of the sole shareholder of the Company passed on 8th May, 2001” in Appendix VI to this prospectus.

General mandate to repurchase Shares

Subject to the Placing becoming unconditional, the Directors have been granted a general unconditional mandate to exercise all the powers of the Company to repurchase Shares with a total nominal value of not more than 10 per cent. of the aggregate nominal value of the share capital of the Company in issue following the completion of the Placing and Capitalisation Issue (such share capital shall include the Shares which may be issued pursuant to the Over-allotment Option).

This mandate only relates to repurchases made on the Stock Exchange, or on any other stock exchange on which the Shares are listed (and which is recognised by the SFC and the Stock Exchange for this purpose), and which are in accordance with all applicable laws and the requirements of the GEM Listing Rules. A summary of the relevant GEM Listing Rules is set out in the paragraph headed “Repurchase by the Company of its own securities” in Appendix VI to this prospectus.

The mandate will expire:

- at the conclusion of the next annual general meeting of the Company;
 - at the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Articles to be held; or
 - when varied or revoked by an ordinary resolution of shareholders of the Company in general meeting;
- whichever is the earliest.