

SHARE CAPITAL

Authorised share capital: *HK\$*

<u>2,000,000,000 Shares</u>	<u>200,000,000</u>
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Issued shares:

<u>320,000,000 Shares in issue as at the date of this prospectus</u>	<u>32,000,000</u>
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Shares to be issued:

<u>80,000,000 Shares to be issued under the Placing</u>	<u>8,000,000</u>
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Total:

<u>400,000,000 Shares</u>	<u>40,000,000</u>
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Under the GEM Listing Rules, the minimum level of public float to be maintained by the Company at all times after listing is 25% of the share capital in issue from time to time.

This table assumes that the Placing 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).

Ranking

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

Share Option Scheme

The Company has not adopted any share option scheme nor does it have any other options or securities in issue which are convertible or exchangeable into Shares.

General mandate to issue Shares

Subject to the Placing becoming unconditional, the Directors have been granted a general unconditional mandate to allot, issue and deal with (otherwise than by way of rights issues or scrip dividend schemes or other similar arrangements in accordance with the articles of association of the Company) Shares with an aggregate nominal value of not more than:

- (a) 20% of the aggregate nominal value of the share capital of the Company in issue immediately following the completion of the Placing; and

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- (b) the aggregate nominal value of the share capital of the Company repurchased by the Company (if any). The mandate will remain in effect until:
- the conclusion of the next annual general meeting of the Company;
 - the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; or
 - it is 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 “Written resolutions of the sole shareholder of the Company passed on 5th June, 2002” in appendix IV 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 amount of not more than 10% of the aggregate nominal amount of the share capital of the Company in issue immediately following the completion of the Placing.

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 Securities and Futures Commission 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 under “Repurchase by the Company of its own Securities” in appendix IV to this prospectus.

The mandate will remain in effect until:

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