

STRUCTURE OF THE PLACING

CONDITIONS OF THE PLACING

Acceptance of all applications for the Placing Shares will be conditional on:

- (a) the GEM Listing Committee granting listing of, and permission to deal in, the Shares in issue and the Shares to be issued pursuant to the Placing; and
- (b) the obligations of the Underwriters under the Underwriting Agreement becoming unconditional (including, if relevant, as a result of the waiver of any conditions by Cash on behalf of the Underwriters) and not being terminated in accordance with its terms or otherwise, in each case, on or before the dates and times specified in the Underwriting Agreement (unless and to the extent such conditions are validly waived on or before such dates and times) and in any event not later than 10th July, 2002, being the date which is 30 days after the date of this prospectus.

If such conditions have not been fulfilled or waived prior to the times and dates specified, the Placing will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Placing will be caused to be published by the Company on the GEM Website on the next day following such lapse. In such event, all application monies will be returned, without interest. The terms on which monies will be returned are set out in the placing letter in respect of the Placing.

Share certificates for the Placing Shares will be issued on 14th June, 2002 and will become valid certificates of title at 9:00 a.m. on 17th June, 2002, provided that (i) the Placing has become unconditional and (ii) the right of termination as described under “Underwriting – Grounds for termination” has not been exercised prior thereto.

THE PLACING

The Placing Shares, totalling 100,000,000 Shares, will comprise the New Shares and the Sale Shares under the Placing. The Placing Shares will represent 25% of the Company's enlarged issued share capital immediately after completion of the Placing.

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

100,000,000 Placing Shares will be conditionally placed by the Underwriters or through selling agents appointed by them to certain professional, institutional and other investors. Such professional, institutional and other investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities. The Placing Shares will be offered in Hong Kong.

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Commencement of dealings in the Shares

Dealings in the Shares on GEM are expected to commence on 17th June, 2002. The Shares will be traded in board lots of 4,000 each.

Shares will be eligible for admission into CCASS

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

Investors should seek the advice of their stockbroker or other professional adviser for details of the settlement arrangements as such arrangements will affect their rights and interests.