

INFORMATION ABOUT THIS PROSPECTUS AND THE SHARE OFFER

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This prospectus includes particulars given in compliance with the Companies Ordinance, the Securities and Futures (Stock Market Listing) Rules (Subsidiary Legislation V of Chapter 571 of the Laws of Hong Kong) and the Listing Rules for the purpose of giving information to the public with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement in this prospectus misleading.

The Offer Shares are offered solely on the basis of the information contained and representations made in this prospectus and the related Application Forms. No person is authorised in connection with the Share Offer to give any information or to make any representation not contained in this prospectus or the related Application Forms, and any information or representation not contained in this prospectus or the related Application Forms must not be relied upon as having been authorised by the Company, the Vendors, the Sponsor, the Lead Underwriter, the Underwriters, and of their respective directors, officer, employees, advisers, agents or representatives or any other person involved in the Share Offer.

FULLY UNDERWRITTEN

The Share Offer comprises the Placing and Public Offer. A total of 218,000,000 Shares will initially be made available under the Share Offer, of which 196,200,000 Shares, representing 90% of the total number of the Shares initially being offered under the Share Offer, will initially be placed with selected professional and institutional and, to the extent permitted by applicable laws, other private investors in Hong Kong at the Offer Price under the Placing. The remaining 21,800,000 Shares, representing 10% of the total number of the Shares initially being offered under the Share Offer, will initially be offered to the public in Hong Kong for subscription at the Offer Price under the Public Offer. The number of Shares offered for subscription and/or purchase under the Placing and the Public Offer will be subject to re-allocation. Details of the structure of the Share Offer are described in the section headed "Structure and conditions of the Share Offer" in this prospectus.

This prospectus is published in connection with the Share Offer and, together with the Application Forms, sets out the terms and conditions of the Share Offer.

The Share Offer is sponsored by Goldbond Capital (Asia) Limited. The Public Offer is fully underwritten by the Public Offer Underwriters and the Placing is fully underwritten by the Placing Underwriters. Further information about the Underwriters and the underwriting arrangements is described in the section headed "Underwriting" in this prospectus.

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OFFER SHARES ARE OFFERED IN CERTAIN JURISDICTIONS ONLY

No action has been taken to permit any public offering of the Offer Shares or the distribution of this prospectus and the related Application Forms in any jurisdiction other than Hong Kong. The distribution of this prospectus and the related Application Forms and the offering of the Offer Shares in certain jurisdictions are restricted by law. This prospectus is not an offer or invitation, nor is it calculated to invite or solicit offers in any jurisdiction in which it is not authorised, and is not an offer or invitation to any person to whom it is unlawful to make any unauthorised offer or invitation.

Hong Kong

This prospectus has been registered with the Registrar of Companies in Hong Kong. Accordingly, this prospectus may be issued, circulated or distributed in Hong Kong, and the Offer Shares under the Share Offer may be offered for subscription and purchase to members of the public in Hong Kong. In addition, advertisements may be made offering or calling attention to an offer or intended offer of the Offer Shares to the public in Hong Kong.

United States

This prospectus has not been and will not be published in the United States, its territories, possessions or areas subject to its jurisdiction and the Offer Shares may not be offered or sold, directly or indirectly, to or for the account or benefit of, US persons (as defined in regulation S) except in certain transactions exempt from the registration requirements of the Securities Act of 1933 (as amended).

United Kingdom

This prospectus has not been approved by an authorised person in the United Kingdom and has not been registered with the Registrar of Companies in the United Kingdom nor will it be so registered. The Offer Shares may not be offered or sold to any persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business, or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995. In addition, no person may communicate or cause to be communicated any invitation or inducement to engage in any investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “FSMA”) received by it in connection with the issue or sale of any Offer Shares except for, inter alia, communications made to investment professionals and high net worth companies defined in Articles 19 and 49 of the FSMA (Financial Promotion) Order 2001.

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Singapore

The Offer Shares have not and will not be offered or sold, or be made the subject of an invitation for subscription or purchase, and neither will this prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Offer Shares be issued, circulated or distributed, either directly or indirectly, to the public or any member of the public in Singapore other than (i) to an institutional investor or other person specified in Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), or (ii) to a sophisticated investor, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

PRC

This prospectus may not be circulated or distributed in the PRC and the Offer Shares may not be offered or sold, directly or indirectly, or offered or sold to any person for re-offer or re-sale, directly or indirectly in the PRC to, or for the benefit of, legal or natural persons of the PRC except pursuant to applicable laws and regulations of the PRC.

Taiwan

The Offer Shares have not been and will not be registered with the Securities and Futures Commission of Taiwan and are not being offered for subscription or sold and may not be offered for subscription or sold, directly or indirectly, to the public in Taiwan, except (a) pursuant to the requirements of securities related laws and regulations in Taiwan and (b) in compliance with any other applicable requirements of Taiwanese laws.

Cayman Islands

No Offer Shares may be offered for subscription or purchase or sold to the public in the Cayman Islands.

Each person acquiring the Offer Shares will be required, or be deemed by his acquisition of the Offer Shares, to confirm that he is aware of the restrictions on offer of the Offer Shares as described in this prospectus. Overseas persons should inform themselves about and observe any applicable legal or regulatory requirements.

APPLICATION FOR LISTING ON THE MAIN BOARD

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned herein including the Offer Shares and Shares to be issued pursuant to the Capitalisation Issue and the exercise of the Over-allotment Option, Shares which may fall to be issued pursuant to the exercise of the options granted under the Pre-IPO Share Option Scheme and Shares which may fall to be issued pursuant to the exercise of options which may be granted under the Share Option Scheme (up to 10% of the Shares in issue on the Listing Date) and as otherwise described herein, on the Main Board.

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No part of the Share or loan capital of the Company is listed or dealt in on the Growth Enterprise Market of the Stock Exchange or any other stock exchange. At present, no such listing or permission to deal is being or proposed to be sought.

PROFESSIONAL TAX ADVICE RECOMMENDED

If you are unsure about the taxation implications of the subscription, purchase, holding or disposal of, dealing in, or the exercise of any rights in relation to the Offer Shares, you should consult an expert.

The Company, the Vendors, the Sponsor, the Lead Underwriter, the Underwriters, and their respective directors, officers, employees, advisers, agents and representatives and any other person involved in the Share Offer do not accept responsibility for any tax effects on or liabilities resulting from the subscription for, or purchase, holding or disposal of, or dealing in or the exercise of any rights in relation to the Offer Shares.

STAMP DUTY

Dealings in Shares registered on the Company's Hong Kong branch register of members will be subject to Hong Kong stamp duty.

PROCEDURE FOR APPLICATION FOR THE PUBLIC OFFER SHARES

The procedure for applying for the Public Offer Shares is set out in the section headed "How to apply for the Public Offer Shares" in this prospectus and on the related Application Forms.

DEALING AND SETTLEMENT

Dealings in the Shares on the Main Board are expected to commence on 9 December 2004.

Shares will be traded in board lots of 2,000 Shares each.

The stock code for the Shares is 2678.

Dealings in the Shares on the Main Board will be effected by participants of the Stock Exchange whose bid and offer quotations will be and available on the Stock Exchange's teletext page information system.

Delivery and payment for Shares dealt on the Main Board will be effected two trading days following the transaction date ("T+2"). Dealings in Shares on the Main Board are settled by physical delivery of share certificates against payment with a valid instrument of transfer and bought and sold notes correctly stamped in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong). For an investor in Hong Kong who has deposited his Shares in his stock account in CCASS or through a CCASS participant, settlement will be effected in CCASS in accordance with the General Rules of

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CCASS and CCASS Operational Procedures in effect from time to time. 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. Only certificates for Shares registered on the Company's Hong Kong branch register of members will be valid for delivery in respect of transactions effected on the Main Board.

If you are unsure about the procedures for dealings and settlement arrangement on the Main Board on which the Shares are listed and how such arrangements will affect your rights and interests, you should consult your stockbroker or other professional advisers.

STRUCTURE OF THE SHARE OFFER

Details of the structure of the Share Offer, including conditions, are set out in the section headed "Structure and conditions of the Share Offer" in this prospectus.

PUBLICATION OF RESULTS

The Company expects to publish details of the level of interest in the Placing, basis of allotment and results of applications of the Public Offer, and the Hong Kong Identity Card/Passport/Hong Kong Business Registration numbers of successful applicants on Wednesday, 8 December 2004 in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese).