

SHARE CAPITAL

HK\$

Authorised share capital:

<u>1,000,000,000</u>	Shares	<u>100,000,000</u>
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Shares issued and to be issued, fully paid or credited as fully paid:

150,000,000	Shares in issue	15,000,000
75,000,000	Shares to be issued under the Capitalisation Issue (<i>Note</i>)	7,500,000
<u>75,000,000</u>	New Shares to be issued under the Share Offer	<u>7,500,000</u>

Total:

<u>300,000,000</u>	Shares	<u>30,000,000</u>
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The minimum level of public float to be maintained by the Company at all times after listing under the Listing Rules is 25% of the share capital in issue from time to time.

Note:

Pursuant to the written resolutions of the sole shareholder of the Company passed on 20th May, 2005, the Directors were authorized, conditional on, amongst others, the share premium account of the Company being credited as a result of the Share Offer, to capitalize a sum of HK\$7,500,000 standing to the credit of the share premium account of the Company by applying such sum in paying up in full 75,000,000 Shares for the allotment and issue to Polestar.

Assumptions

This table assumes that the Share Offer and the Capitalisation Issue becomes unconditional.

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

Ranking

The Offer Shares will rank *pari passu* with all Shares now in issue or to be issued as mentioned in this prospectus save for the entitlement under the Capitalisation Issue and will qualify for all dividends or other distributions declared, made or paid after the date of this prospectus.

Pre-IPO Share Option Scheme

The Company has adopted the Pre-IPO Share Option Scheme and granted options under the said scheme. The principal terms of the Pre-IPO Share Option Scheme and particulars of the Pre-IPO Options are set out in the section headed "Pre-IPO Share Option Scheme" in Appendix VI to this prospectus.

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Under the Pre-IPO Share Option Scheme, the Company has granted the Pre-IPO Options in respect of 15,000,000 Shares to an executive Director and other employees of the Group at the exercise price of HK\$0.65 per Share. The Pre-IPO Options shall be exercisable from the day falling six months after the Listing Date until 30th March, 2010.

Share Option Scheme

The Company has adopted the Share Option Scheme. A summary of the main terms of the Share Option Scheme is set out in the section headed “Share Option Scheme” in Appendix VI to this prospectus.

General mandate to issue Shares

The Directors have been granted a general mandate to exercise all the powers of the Company to allot or issue and deal with Shares or securities or options convertible into 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 completion of the Share Offer and the Capitalisation Issue; and
- (b) the aggregate nominal value of the share capital of the Company repurchased by the Company (if any) pursuant to the general mandate for the repurchase of Shares granted to the Directors referred to below.

The mandate will expire:

- at the conclusion of the Company’s next annual general meeting; or
- at the expiration of the period within which the Company is required by the articles of association or any applicable laws of the Cayman Islands to hold its next annual general meeting; or
- when revoked or varied by an ordinary resolution of its shareholders 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 20th May, 2005” in Appendix VI.

General mandate to repurchase Shares

The Directors have been granted a general mandate to exercise all the powers of the Company to repurchase Shares with an aggregate nominal value of not more than 10% of the aggregate nominal value of the share capital of the Company in issue immediately following completion of the Share Offer and the Capitalisation Issue.

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 in accordance with all applicable laws and the requirements of the Listing Rules (or of such other stock exchange). A summary of the relevant provisions of the Listing Rules is set out in Appendix VI.

The mandate will expire:

- at the end of the Company’s next annual general meeting; or
- at the expiration of the period within which the Company is required by the articles of association or any applicable laws of the Cayman Islands to hold its next annual general meeting; or

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- when revoked or varied by an ordinary resolution of its shareholders in general meeting;

whichever is the earliest.

For further details of this general mandate, see the section headed “Written resolutions of the sole shareholder of the Company passed on 20th May, 2005” in Appendix VI.