

# INFORMATION ABOUT THIS PROSPECTUS AND THE SHARE OFFER

*The following information is provided for guidance only. Prospective investors of the Offer Shares should consult their financial advisers and take legal advice, as appropriate, to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective investors should inform themselves as to the relevant legal requirements of applying for the Offer Shares and any applicable exchange control regulations and applicable taxes in the countries of their respective citizenship, residence or domicile.*

## **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 and the Listing Rules for the purpose of giving information with regard to our Company. Our 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 matters 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 Application Forms. No person is authorised to give any information in connection with the Share Offer or to make any representation not contained in this prospectus and the Application Forms, and any information or representation not contained in this prospectus and the Application Forms must not be relied upon as having been authorised by our Company, the Selling Shareholders, the Global Co-ordinator, the Sponsor, the Underwriters, any of their respective directors, agents, employees or advisers or any other party involved in the Share Offer.

## **UNDERWRITING**

This prospectus is published solely in connection with the Share Offer which is lead managed by Kingsway Financial and is expected to be fully underwritten by the Underwriters pursuant to the Underwriting Agreements. Further information about the Underwriters is set forth in the section headed "Underwriting" in this prospectus. The Offer Price is expected to be fixed by the agreement among the Global Co-ordinator (on behalf of the Underwriters), the Selling Shareholders and us on the Price Determination Date, which is expected to be on or before 1 June 2007 but no later than 5 June 2007. If, for any reason, we, the Selling Shareholders and the Global Co-ordinator (on behalf of the Underwriters) are unable to reach an agreement on the final Offer Price by that time, the Share Offer will not proceed and will lapse.

## **RESTRICTIONS ON THE OFFER AND SALE OF THE OFFER SHARES**

Each person acquiring the Hong Kong Public Offer Shares will be required to confirm, or be deemed by his acquisition of the Hong Kong Public Offer Shares to have confirmed, that he is aware of the restrictions on offer and sale of the Offer Shares described in this prospectus.

## INFORMATION ABOUT THIS PROSPECTUS AND THE SHARE OFFER

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No action has been taken to permit an offering of the Offer Shares or the distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, this prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorised or to any person to whom it is unlawful to make such an offer or invitation.

### Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Offer Shares may not be circulated or distributed, nor may the Offer Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act of Singapore, Chapter 289 (the “SFA”), (ii) to a relevant person, or any person pursuant to section 275(1A), 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 provisions of the SFA.

Where the Offer Shares are subscribed or purchased under section 275 of the SFA by a relevant person which is:—

- (a) a corporation (which is not an accredited investor (as defined in section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Offer Shares pursuant to an offer made under section 275 of the SFA except:—

- (1) to an institutional investor under section 274 of the SFA or to a relevant person, or to any person pursuant to section 275(1A), and in accordance with the conditions specified in section 275 of the SFA;
- (2) where no consideration is or will be given for the transfer; or
- (3) where the transfer is by operation of law.

## 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. The Offer Shares must not and will not be offered to the public in the United Kingdom (within the meaning of section 102B of the Financial Services and Markets Act 2000 (as amended) (“**FSMA**”)) save in circumstances where it is lawful to do so without an approved prospectus (within the meaning of section 85 of FSMA) being made available to the public before the offer is made. This prospectus is only directed at, and, save as set out below, may only be distributed to, persons in the United Kingdom, who are investment professionals (being persons having professional experience in matters relating to investments) within the meaning of article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Financial Promotion Order**”), or who are high net worth companies or unincorporated associations within the meaning of article 49(2) of the Financial Promotion Order. Any investment, investment activity or controlled activity, to which this prospectus relates is available only to such persons and will be engaged in only with such persons. Persons who do not have professional experience relating to such investments should not rely or act upon this prospectus unless they are persons to whom distribution of this prospectus may otherwise lawfully be made.

## China

This prospectus has not been and will not be circulated or distributed in China, and the Offer Shares may not be offered or sold, and will not be offered or sold to any person for re-offering or resale, directly or indirectly, to any resident in China except pursuant to applicable laws and regulations in China. As at the Latest Practicable Date, we had no intention to conduct an A-share offering in China.

## Taiwan

The Offer Shares have not been and will not be registered with the Securities and Futures Bureau of Financial Supervisory Commission of Taiwan or any other government authorities in Taiwan and are not being offered or sold and may not be offered or sold, directly or indirectly, in Taiwan or to, or for the benefit of, any resident of Taiwan except: (a) pursuant to the requirements of the securities related laws and regulations currently in force in Taiwan and (b) in full compliance with the applicable laws and regulations in Taiwan.

## Cayman Islands

No offer or invitation may be made to members of the public in the Cayman Islands to subscribe for or purchase any of the Offer Shares.

## **APPLICATION FOR THE PROPOSED LISTING ON THE MAIN BOARD**

We have applied to the Listing Committee for the listing of and permission to deal in the Shares in issue and Shares to be issued as mentioned in this prospectus, including the Offer Shares and the Shares to be allotted pursuant to the exercise of the Over-allocation Option and any option which may be granted under the Share Option Scheme.

Save for the above, no part of the Shares or our loan capital is listed on or dealt in on the Main Board, GEM or any other stock exchange and no such listings or permission to deal is being or is proposed to be sought by us at the present time. As at the Latest Practicable Date, we had no intention to conduct an A-share offering in China.

Under section 44B(1) of the Companies Ordinance, if the application for the listing of and permission to deal in the Shares has been refused before the expiration of three weeks from the date of the closing of the application lists or such longer period not exceeding six weeks as may, within the said three weeks, be notified to our Company for permission by or on behalf of the Stock Exchange, then any allotment made in respect of an application pursuant to this prospectus shall, whenever made, be void.

## **PROFESSIONAL TAX ADVICE RECOMMENDED**

Potential applicants for the Offer Shares are recommended to consult their professional advisers if they are in doubt as to the taxation implications of the subscription for, holding, purchase or disposal of or dealing in the Shares or exercising rights attaching to them. It is emphasised that none of our Company, the Selling Shareholders, the Global Co-ordinator, the Sponsor, the Underwriters and their respective directors and any other party involved in the Share Offer accepts responsibility for tax effects on, or liability of, any person resulting from subscribing for, or purchasing, holding, disposing of, dealing in or the exercise of any rights in relation to the Shares.

## **STAMP DUTY**

Dealings in the Shares registered on our branch register of members maintained by the Hong Kong Branch Share Registrar will be subject to Hong Kong stamp duty.

## **SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS**

If the Listing Committee grants the listing of, and permission to deal in, the Shares on the Main Board and we comply 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 Listing Date or such other date as shall be determined by HKSCC. Investors should seek the advice of their stockbroker or other professional adviser for details of those settlement arrangements as such arrangements will affect their rights, interests and liabilities.

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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 necessary arrangements have been made for the Shares to be admitted into CCASS.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

### **DEALINGS AND SETTLEMENT**

Dealings in the Shares are expected to commence at 9:30 a.m. on 11 June 2007.

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