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## **Byford International Limited**

**百富國際有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8272)**

### **PROPOSALS FOR SUBDIVISION OF SHARES AND INCREASE IN AUTHORIZED SHARE CAPITAL**

*Financial adviser to Byford International Limited*

**VEDA | CAPITAL**  
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#### **PROPOSED SUBDIVISION OF SHARES**

The Board proposes that each of the issued and unissued Existing Shares of HK\$0.01 in the share capital of the Company be subdivided into 10 Subdivided Shares of HK\$0.001 each. The Share Subdivision will be subject to the passing of an ordinary resolution by the Shareholders at the EGM and the granting by the GEM Listing Committee of the listing of, and permission to deal in, the Subdivided Shares.

The Existing Shares are currently traded in board lots of 5,000 Existing Shares. Upon the Share Subdivision becoming effective, the Subdivided Shares will be traded in board lots of 5,000 Subdivided Shares.

#### **PROPOSED INCREASE IN AUTHORIZED SHARE CAPITAL**

The Board further proposes to increase its authorized share capital from HK\$10,000,000 divided into 1,000,000,000 Shares of HK\$0.01 each to HK\$50,000,000 divided into 5,000,000,000 Shares of HK\$0.01 each by the creation of an additional 4,000,000,000 new Shares of HK\$0.01 each. Upon the Share Subdivision becoming effective, the proposed increase in the authorized share capital of the Company will be from HK\$10,000,000 divided into 10,000,000,000 Shares of HK\$0.001 each to HK\$50,000,000 divided into 50,000,000,000 Shares of HK\$0.001 each by the creation of an additional 40,000,000,000 new Shares of HK\$0.001 each. Such new Shares, upon issue and fully paid, shall rank pari passu in all respects with the Existing Shares or Subdivided Shares (as the case may be).

#### **GENERAL**

A circular containing, amongst other things, details of the proposed Share Subdivision, the trading arrangements in respect of the Subdivided Shares, the procedures for free exchange of Existing Share Certificates, the proposed increase in authorized share capital of the Company together with the notice of the EGM will be despatched to the Shareholders as soon as practicable.

## PROPOSED SUBDIVISION OF SHARES

The Board proposes that each of the issued and unissued Existing Shares of HK\$0.01 in the share capital of the Company be subdivided into 10 Subdivided Shares of HK\$0.001 each. The Share Subdivision will be subject to the passing of an ordinary resolution by the Shareholders at the EGM and the granting by the GEM Listing Committee of the listing of, and permission to deal in, the Subdivided Shares.

The Existing Shares are currently traded in board lots of 5,000 Existing Shares. Upon the Share Subdivision becoming effective, the Subdivided Shares will be traded in board lots of 5,000 Subdivided Shares.

### Reasons for the Share Subdivision

The Board proposes the Share Subdivision to increase the number of issued and unissued Shares with a view to further broadening the Shareholders' base in the long run. Based on the closing price of the Shares of HK\$14.50 per Share as quoted from the Stock Exchange on 25 September 2007, the monetary value of each board lot of 5,000 Shares is HK\$72,500. Upon the Share Subdivision becoming effective, the monetary value of each board lot of 5,000 Subdivided Shares would be HK\$7,250 (based on the closing price of the Shares on 25 September 2007 and assuming the Share Subdivision has become effective). Accordingly, the Board considers that the Share Subdivision will improve the liquidity in trading of the Shares and are in the best interests of the Company and the Shareholders as a whole.

Other than the expenses to be incurred in relation thereto, the implementation of the Share Subdivision will not alter the underlying assets, business operations, management or financial position of the Company or the interests of the Shareholders.

### Share capital of the Company

As at the date of this announcement, the authorized share capital of the Company is HK\$10,000,000 divided into 1,000,000,000 Shares with par value of HK\$0.01 each, of which 200,000,000 Shares were issued and fully paid or credited as fully paid. Assuming that no further Shares will be issued or repurchased after the date of this announcement and prior to the Share Subdivision becoming effective, the effect of the Share Subdivision to the capital structure of the Company is set out below:

	<b>As at the date of this announcement and before completion of the Share Subdivision</b>	<b>Immediately after completion of the Share Subdivision</b>
Par value of each Share	HK\$0.01	HK\$0.001
Number of authorized Shares	1,000,000,000 Existing Shares	10,000,000,000 Subdivided Shares
Authorized share capital	HK\$10,000,000	HK\$10,000,000
Number of Shares in issue	200,000,000 Existing Shares	2,000,000,000 Subdivided Shares
Issued share capital	HK\$2,000,000	HK\$2,000,000
Number of unissued Shares	800,000,000 Existing Shares	8,000,000,000 Subdivided Shares
Unissued share capital	HK\$8,000,000	HK\$8,000,000

The Subdivided Shares will rank pari passu in all respects with each other and the Share Subdivision will not result in any change in the relative rights of the Shareholders.

### Conditions of the Share Subdivision

The Share Subdivision is conditional upon:

- (a) the passing of an ordinary resolution by the Shareholders for approving the Share Subdivision to be proposed at the EGM; and
- (b) the GEM Listing Committee granting the listing of, and permission to deal in, the Subdivided Shares.

As at the date of this announcement, no share options had been granted pursuant to the employee share option scheme since its adoption on 10 June 2003. The Company also did not have any other outstanding equity securities, including equity related convertible securities, warrants, options, or subscription rights in respect of any equity share capital of the Company.

### EXPECTED TIMETABLE

The expected timetable for the Share Subdivision and the increase in the authorized share capital is set out below:

**2007**

Circular to be despatched on or before.....	Friday, 12 October
Latest time for lodging forms of proxy for the EGM.....	11:00 a.m. on Saturday, 27 October
EGM.....	11:00 a.m. on Monday, 29 October
Effective date of the Share Subdivision and the increase in the authorized share capital.....	Tuesday, 30 October
Dealings in the Subdivided Shares commence.....	Tuesday, 30 October
Original counter for trading in Existing Shares in board lots of 5,000 Existing Shares temporarily closes.....	9:30 a.m. on Tuesday, 30 October
Temporary counter for trading in board lots of 50,000 Subdivided Shares (in the form of certificates of Existing Shares (“Existing Share Certificates”)) opens.....	9:30 a.m. on Tuesday, 30 October
First day of free exchange of Existing Share Certificates for new certificates for the Subdivided Shares (“New Share Certificates”).....	Tuesday, 30 October
Original counter for trading in Subdivided Shares in board lots of 5,000 Subdivided Shares (in the form of New Share Certificates) opens.....	9:30 a.m. on Tuesday, 13 November

Parallel trading in Subdivided Shares (in the form of New Share Certificates and the Existing Share Certificates) commences ..... 9:30 a.m. on Tuesday, 13 November

Parallel trading in Subdivided Shares (in the form of New Share Certificates and the Existing Share Certificates) ends ..... 4:00 p.m. on Tuesday, 4 December

Temporary counter for trading in board lots of 50,000 Subdivided Shares (in the form of Existing Share Certificates) closes ..... 4:00 p.m. on Tuesday, 4 December

Last day for free exchange of Existing Share Certificates for New Share Certificates..... Tuesday, 11 December

Upon the Share Subdivision becoming effective, the Existing Share Certificates will only be valid for delivery, trading and settlement purposes for the period up to 4:00 p.m. on Tuesday, 4 December 2007 and thereafter will not be accepted for delivery, trading and settlement purposes. However, the Existing Share Certificates will continue to be good evidence of legal title to the Subdivided Shares on the basis of one (1) Existing Share for ten (10) Subdivided Shares and may be exchanged free of charge for new share certificates for Subdivided Shares at any time between 9:30 a.m. to 4:00 p.m. from Tuesday, 30 October 2007 to Tuesday, 11 December 2007 (both dates inclusive), and on payment of a prescribed fee any time after 4:00 p.m. on Tuesday, 11 December 2007. Shareholders are requested to submit their Existing Share Certificates to the Company's branch share registrar in Hong Kong, Tricor Standard Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong. It is expected that the New Share Certificates will be available for collection on the 10th business day after submission of the Existing Share Certificates.

The New Share Certificates will be issued in yellow colour in order to distinguish them from the Existing Share Certificates which are light blue in colour.

## **PROPOSED INCREASE IN AUTHORIZED SHARE CAPITAL**

In order to ensure that sufficient number of unissued Shares are available for future purpose, the Company further proposes to increase its authorized share capital from HK\$10,000,000 divided into 1,000,000,000 Shares of HK\$0.01 each to HK\$50,000,000 divided into 5,000,000,000 Shares of HK\$0.01 each by the creation of an additional 4,000,000,000 new Shares of HK\$0.01 each. Upon the Share Subdivision becoming effective, the proposed increase in the authorized share capital of the Company will be from HK\$10,000,000 divided into 10,000,000,000 Shares of HK\$0.001 each to HK\$50,000,000 divided into 50,000,000,000 Shares of HK\$0.001 each by the creation of an additional 40,000,000,000 new Shares of HK\$0.001 each. Such new Shares, upon issue and fully paid, shall rank pari passu in all respects with the Existing Shares or Subdivided Shares (as the case may be). The proposed increase in authorized share capital of the Company by creating additionally 4,000,000,000 Existing Shares or if the Share Subdivision is approved at the EGM, 40,000,000,000 Subdivided Shares, is determined by taking into account the Company's need for flexibility in issuing Shares for any future investments and developments.

The proposed increase in authorized share capital of the Company is conditional upon the passing of an ordinary resolution by the Shareholders at the EGM.

## **GENERAL**

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Subdivided Shares.

A circular containing, amongst other things, details of the proposed Share Subdivision, the trading arrangements in respect of the Subdivided Shares, the procedures for free exchange of Existing Share Certificates, the proposed increase in authorized share capital together with the notice of the EGM will be despatched to the Shareholders as soon as practicable.

## **DEFINITIONS**

In this announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

“Board”	the board of Directors
“Company”	Byford International Limited, a company incorporated in the Cayman Islands with limited liability whose issued Shares are listed on GEM
“Director(s)”	the director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be held for approving, among other matters (if any), the Share Subdivision and proposed increase in authorized share capital of the Company
“Existing Shares”	existing ordinary share(s) of HK\$0.01 each in the share capital of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each or ordinary shares of HK\$0.001 each (upon the Share Subdivision becoming effective) in the share capital of the Company (as the case may be)
“Share Subdivision”	the proposed subdivision of each Existing Share into 10 Subdivided Shares
“Shareholder(s)”	holder(s) of the Existing Shares prior to the Share Subdivision becoming effective, or holder(s) of the Subdivided Shares after the Share Subdivision becoming effective

