
SUMMARY

This summary aims to give you an overview of the information contained in this prospectus. Since this is a summary, it does not contain all the information that may be important to you. You should consider carefully all information set out in this prospectus and, in particular, pay attention to the risks set out in the section headed “Risk factors” before you decide to invest in the Company.

Terms used herein shall bear the same meanings as those defined under the section headed “Definitions” of this prospectus.

The Company : China Treasure (Greater China) Investments Limited is a company incorporated with limited liability and as an exempted company in the Cayman Islands on 14th September, 2001. The Company has not commenced operation or business since its incorporation.

Investment objectives and policies : The Directors are responsible for the formulation of the Company’s investment objectives and policies and, in particular, all investment and divestment strategies and guidelines.

The principal investment objective of the Company is to achieve medium to long-term capital appreciation mainly through investments in listed and unlisted companies in the Greater China having substantial operation in the PRC.

Investments will normally be made in the form of equity related securities and/or debt securities in listed and unlisted companies in the Greater China engaged in different industries including (but not limited to) manufacturing, bio-technology, services, telecommunication, technology, infrastructure, pharmaceuticals and property sectors aiming at maintaining a balance in the Company’s exposure to different industry sectors.

The Company may also invest in other types of investments in accordance with the investment objectives and policies adopted by the Company from time to time and the requirements of the Memorandum, the Articles, the Listing Rules and the Interim Investment Management Agreement or the Investment Management Agreement (as the case may be). Any proceeds not invested will be placed in bank deposits.

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- Investment Manager** : China Core Capital Management Limited will be responsible for the provision of investment management services to the Company upon registration as an investment adviser under the Securities Ordinance. China Core Capital Management Limited expects to obtain the approval for registration as an investment adviser in or about June 2002.
- Interim Investment Manager** : Pending the registration of China Core Capital Management Limited as an investment adviser under the Securities Ordinance, AsiaVest Investment Advisory Limited is responsible for the provision of interim investment management services to the Company.
- Custodian** : Standard Chartered Bank, an independent third party, will provide custodian services to the Company pursuant to the Custodian Agreement. The Custodian is responsible for the safe custody and physical settlement of the securities in the investment portfolio of the Company and the collection of dividends and other entitlements in respect of such securities.
- Share Offer** : The Share Offer comprises the Placing and the New Issue. A total of 100,000,000 Shares (assuming that the Over-allotment Option is not exercised) will initially be available under the Share Offer, of which 70,000,000 Shares, representing 70% of the total number of the Offer Shares, will initially be offered for subscription by way of private placements to professional, institutional and selected investors in Hong Kong at the Issue Price, payable in full on application, under the Placing. The remaining 30,000,000 Shares, representing 30% of the total number of Offer Shares, will initially be offered to the public in Hong Kong for subscription at the Issue Price, payable in full on application, under the New Issue. The number of Shares offered for subscription under the Placing and the New Issue will be subject to Over-allotment Option and reallocation on the basis as described in the section headed “Structure of the Share Offer” in this prospectus.
- Net proceeds from Share Offer** : The net proceeds from the Share Offer (assuming that the Over-allotment Option is not exercised), after deduction of fees, commissions and other expenses, are estimated to be approximately HK\$93 million.

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- Use of proceeds** : It is presently intended that the net proceeds will be applied in investments according to the investment policies and objectives of the Company adopted by the Company from time to time and the requirements of the Memorandum, the Articles, the Listing Rules, the Interim Investment Management Agreement and the Investment Management Agreement (as the case may be). Any proceeds not invested will be placed in bank deposits in accordance with the policies set out in the paragraph headed “Investment objectives and policies” under the section headed “Information on the Company” in this prospectus.
- Dividends** : The financial year of the Company is the period of 12 months from 1st January to 31st December in a year. All income received by the Company will be used first to meet expenses. The Investment Manager will then assess whether it is reasonable to make provisions for future expenses and/or any possible diminution in value of investments, and will consider the amount of cash which should be retained by the Company for future investments. Any surplus will be distributed by way of dividend to the extent permitted by law, the Memorandum and the Articles. Dividends will only be paid to the extent that they are covered by net income received from underlying investments. Distributions (if any) will be made annually after the annual accounts of the Company are approved by the Shareholders. Interim distributions may be made from time to time to the Shareholders if it appears to the Board to be justified by the financial position of the Company. Distributions will be made in Hong Kong dollars.
- Listing and dealings** : Application has been made to the Listing Committee for the listing of, and permission to deal in, the Shares in issue, the Offer Shares to be issued as mentioned herein and any Shares which may be issued pursuant to the exercise of the Over-allotment Option and the options granted under the Share Option Scheme.
- Dealings in the Shares on the Stock Exchange is expected to commence on 28th February, 2002. The Shares will be traded in board lots of 2,000 Shares. The price of the Shares will be quoted on the Stock Exchange in Hong Kong dollars.
- Net Asset Value publication** : The Net Asset Value of the Company will be calculated as at each Valuation Date and published within fifteen days after the end of each month.

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Fees and expenses : During the terms of its appointment, the Interim Investment Manager is entitled to an investment management fee payable monthly in advance at 2.5% per annum of the Net Asset Value as at the date of listing of the Company on the Stock Exchange, on the basis of the actual number of days in the relevant calendar month over a year of 365 days.

The Investment Manager is entitled to an investment management fee payable semi-annually in Hong Kong dollars in advance at 2.5% per annum of the Net Asset Value as at the immediately preceding Valuation Date on the basis of the actual number of days in the relevant calendar months over a year of 365 days.

The Investment Manager will also be entitled to receive from the Company an annual incentive fee payable in Hong Kong dollars equal to 15% of the surplus in the Net Asset Value as at the Last Incentive Date in a Financial Year less the Net Asset Value as at the Last Incentive Date of the preceding Financial Year as determined in accordance with the provisions of the Investment Management Agreement. The incentive fee is payable annually in arrear within 10 Business Days after the annual accounts of the Company have been approved by the Shareholders.

Risk factors : The operations of the Company involve certain risks, a summary of which is set out in the section headed “Risk factors” in this prospectus. These risks can be broadly categorised into (i) risks relating to the Company; (ii) risks relating to Hong Kong; and (iii) risks relating to the PRC;

Conflict of interests : Certain potential conflict of interests is set out in the paragraph headed “Potential conflict of interests” under the section headed “Investment management”.

Shareholders and their shareholdings immediately after the Share Offer	:	<i>Name</i>	<i>Shareholding</i>
		Mr. Chan Yan Ming, Michael	0.10%
		Mr. Joel Lazare Hohman	2.82%
		Public	97.08%
			<u>100.00%</u>

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Directors : *Executive Directors*

Mr. Chan Yan Ming, Michael

Mr. Chan has 20 years of experience in the finance area including capital and money markets and is experienced in equity and portfolio management. He was the finance director of Hysan Development Co. Limited between 1991 and early 1999, responsible for formulating its long and short term financial strategies and policies.

Mr. Andrew Nan Sherrill

Mr. Sherrill has over 16 years of experience in capital market and fund management in the US and Asia. He is the founder and the managing director of the Interim Investment Manager which was incorporated in May 1997 and is wholly beneficially owned by him. From 1997 to 1999, the Interim Investment Manager was appointed the investment adviser of the AsiaVest “Mid Cap Value” Fund, an offshore fund not offered for sale to the Hong Kong public. The fund was launched in 1997 by issuing 32 million shares at US\$1.00 each raising US\$32 million. Since the financial turmoil of August 1997, the overall market condition for medium and small cap listed companies was both poor in liquidity as well as performance. From 1st January, 1999 to 17th June, 1999 (the last date of the valuation of the fund), around 50% of the holders of the fund redeemed the shares. Due to the majority of shareholders of the fund requesting for redemption, the directors of the fund were of the opinion that the poor market condition at that time and the remaining size of the fund would no longer be fair for the remaining shareholders of the fund to be continuing operative on a cost effective and efficient basis. The fund closed down in 1999. Since 1999, Mr. Sherrill, through the Interim Investment Manager, has been focusing its investment and advisory service to companies in Japan and Asia which include advisory services on fund raising exercises, restructuring of debt and capital base, mergers and acquisitions. Since 1997, both the Interim Investment Manager and Mr. Sherrill have been registered as investment advisers under the Securities Ordinance.

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Between 1992 and mid-1995, Mr. Sherrill was a director of Kwang Hua Securities Investment & Trust Co., Ltd., the investment manager of The Formosa Growth Fund Limited which was formerly listed on the Stock Exchange. During the period from March 1993 to March 1995, he was also the managing director of Shanghai International Asset Management (Hong Kong) Company Limited managing the fund of Shanghai International Shanghai Growth Investment Limited, an investment company listed on the Stock Exchange since 1993 with a fund size of US\$91 million and US\$61 million as at 31st December, 1994 and 31st December, 2000 respectively.

Mr. Ma Kam Fook, Robert

Mr. Robert Ma has over 10 years of experience in banking and finance field in the Asia Pacific Region. From 1994 to 2001, he was an executive director of Sino-Pacific Light Industry Fund Management Limited responsible for managing a third party fund, the China Light Industry Fund, with a fund size of US\$33 million at the time of launch in 1993, US\$27 million at 31st December, 1997, US\$23 million at 31st December, 1998 and US\$23 million at 31st December, 1999. The fund was initially established for an unlimited duration. However, if the fund could not be listed on any stock exchange before its fifth anniversary due in 1998, the directors of the fund would convene an extraordinary general meeting of the fund for the purpose of considering a realisation resolution, or otherwise. Pursuant to a special resolution passed at an extraordinary general meeting of the fund in December 1998, the life of the fund was extended for two years to December 2000. Due to the market performance, the fund was never listed. The directors and the shareholders therefore determined not to extend the life of the fund further and decided to liquidate it in April 2001. Mr. Robert Ma was registered as an investment adviser under the Securities Ordinance for the period between February 1995 and May 2001. It is expected that he will be re-registered as an investment adviser under the Securities Ordinance in or about June 2002.

Non-executive Director

Mr. Joel Lazare Hohman

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Independent Non-executive Directors

Mr. Chan Wai Dune

Mr. Liu Kwok Fai, Alvan

Note: please refer to pages 40 to 42 for further details of the Directors

Shareholders of the Interim Investment Manager	<i>Name</i>	<i>Shareholding</i>
	AsiaVest Capital Management Limited	99.00%
	Wu Bi-Pei, Lawrence*	<u>1.00%</u>
		<u>100.00%</u>

* Mr. Wu Bi-Pei, Lawrence holds on trust the shares on behalf of AsiaVest Capital Management Limited in which AsiaVest Partners Limited holds 100% equity interest. Mr. Andrew Nan Sherrill is the sole shareholder of AsiaVest Partners Limited. AsiaVest Capital Management Limited and AsiaVest Partners Limited are incorporated in the British Virgin Islands.

Directors of the Interim Investment Manager	<i>Name</i>
	Mr. Andrew Nan Sherrill
	The particulars of Mr. Sherrill are set out in pages 5 and 6.
	Mr. Wu Bi-Pei, Lawrence
	Mr. Wu has over 15 years of experience in the banking and finance field in Taiwan. From 1989 to 1996, he served as the vice president of the China Venture Management Inc., a Taiwan company, responsible for managing discretionary third party funds in excess of US\$100 million.

Note: Please refer to page 44 for further details of the directors of the Interim Investment Manager.

Shareholders of the Interim Investment Manager	<i>Name</i>	<i>Shareholding</i>
	Mr. Chan Yan Ming, Michael	25.00%
	Mr. Ma Kam Fook, Robert	37.50%
	Mr. Chen Wen Sui, Brian	<u>37.50%</u>
		<u>100.00%</u>

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Directors of the Investment Manager : Mr. Ma Kam Fook, Robert

The particulars of Mr. Robert Ma are set out on page 6.

Mr. Ma Ming Fai, Gary

Mr. Gary Ma was an executive director of Sino-Pacific Light Industry Fund Management Limited from May 1998 to April 2000, during which he participated in the management of the China Light Industry Fund (for details of the fund, please refer to particulars of Mr. Ma Kam Fook, Robert set out in page 6 of this prospectus).

Note: Please refer to page 44 for further details of the directors of the Investment Manager.

SHARE OFFER STATISTICS

Issue Price (*Note 1*) HK\$1.00

Market capitalisation (*Note 2*) HK\$103 million

Pro forma net tangible asset value per Share (*Note 3*) HK\$0.93

Notes:

1. The Issue Price of HK\$1.00 per Offer Share is set at a premium of approximately 7.53% over the pro forma net tangible asset value of HK\$0.93 per Share.
2. The market capitalisation is calculated on the basis of 103,000,000 Shares in issue (assuming the Over-allotment Option is not exercised).
3. The pro forma net tangible asset value per Share was arrived at after those adjustments referred to in the paragraph headed "Pro forma net tangible asset value" under the section headed "Financial information" and on the basis of 103,000,000 Shares in issue immediately following completion of the Share Offer (assuming the Over-allotment Option is not exercised).

RULE 21.04(4) OF THE LISTING RULES

Potential investors are reminded that under Rule 21.04(4) of the Listing Rules, at the time of listing, no person shall control 30% (or such other percentage as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer) or more of the votes exercisable at any general meeting of the Company. For these purposes, the interests of all the associates of a Shareholder and any persons acting in concert (within the meaning of the Takeovers Code) with that Shareholder will be aggregated.

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Although the investment objective of the Company is to achieve medium to long-term capital appreciation, investors should note the special risks associated with investing in the Company as referred to in the section headed “Risk factors” on pages 16 to 22 in this prospectus. Investing in the Company may only be suitable for sophisticated investors who are aware of the risks involved in the investment of the Company.

RISK FACTORS

The Directors consider that the Company is subject to a number of risk factors which can be summarised as follows:

Risks relating to the Company

- Risks associated with the Company’s investments
- Risks associated with the Investment Manager
- Risks associated with the fees payable to the Investment Manager, the Interim Investment Manager and the Custodian
- Illiquidity of investments in the PRC
- No prior market for the Shares
- Negotiated issue price
- No business track record
- Potential conflicts of interest of the Interim Investment Manager and the Investment Manager
- Lack of majority control over investee companies
- No comparable market values of the shares of the investee companies
- Possibility of the existence of a substantial shareholder upon completion of the Share Offer

Risks relating to Hong Kong

- Economic, political and legal developments
- Devaluation of the Hong Kong dollar
- Risk relating to wars and terrorism

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Risks relating to the PRC

- Political and economic considerations
- Government control of currency conversion and exchange rate risks
- Legal and regulatory considerations
- Accounting, auditing and financial reporting standards
- PRC securities markets
- PRC's accession to the World Trade Organisation