

DEFINITIONS

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

“Articles”	the articles of association of the Company
“associates”	the meaning ascribed to it in the Listing Rules
“Baron Capital” or “Sponsor”	Baron Capital Limited, an investment adviser registered under the Securities Ordinance and the Sponsor of the Share Offer
“Best Aims”	Best Aims Finance Limited, a company incorporated under the laws of the BVI with limited liability, the entire issued share capital of which is beneficially owned by Mr. Ip
“Board”	the board of Directors
“Bookrunner”	Ka Wah Capital
“Business Day”	a day (other than a Saturday) on which banks in Hong Kong are open for business
“BVI”	the British Virgin Islands
“Capital Concord”	Capital Concord Profits Limited, a company incorporated under the laws of the BVI with limited liability, the entire issued share capital of which is beneficially owned as to 50% by Best Aims, 30% by Harbour Rich and 20% by Pace Maker respectively
“Capital Harvest”	Capital Harvest Assets Limited, a company incorporated under the laws of the BVI with limited liability and an indirect wholly-owned subsidiary of the Company
“CCASS”	the Central Clearing and Settlement System established and operated by Hongkong Clearing
“Capitalisation Issue”	the capitalisation issue referred to in the paragraph headed “Written resolutions of the sole Shareholder passed on 18th March, 2002” in Appendix V to this prospectus
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Company”	Kenfair International (Holdings) Limited (建發國際(控股)有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 20th December, 2001
“Covenantors”	Best Aims, Harbour Rich and Pace Maker

DEFINITIONS

“Co-sponsors”	Ka Wah Capital and KGI Asia
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries or, where the context requires, in respect of the period before the Company became the holding company of its present subsidiaries, the present subsidiaries of the Company
“Harbour Rich”	Harbour Rich Finance Limited, a company incorporated under the laws of the BVI with limited liability, the entire issued share capital of which is beneficially owned by Mr. Cheung
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hongkong Clearing”	Hong Kong Securities Clearing Company Limited
“Ka Wah Capital”	Ka Wah Capital Limited, an investment adviser and a dealer registered under the Securities Ordinance, the Bookrunner and one of the Co-sponsors of the Share Offer
“Kenfair International”	Kenfair International Limited, a company incorporated under the Companies Ordinance with limited liability and an indirect wholly-owned subsidiary of the Company
“Kenfair (Overseas)”	Kenfair International (Overseas) Limited, a company incorporated under the Companies Ordinance with limited liability and an indirect wholly-owned subsidiary of the Company
“Kenfair Publications”	Kenfair Publications Limited, a company incorporated under the Companies Ordinance with limited liability and an indirect wholly-owned subsidiary of the Company
“KGI Asia”	KGI Asia Limited, a dealer registered under the Securities Ordinance and one of the Co-sponsors of the Share Offer
“Latest Practicable Date”	19th March, 2002 being the latest practicable date prior to the printing of this prospectus for ascertaining certain information contained in this prospectus
“Listing Date”	the date on which dealings in the Shares first commence on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Chan”	Chan Siu Chung, an executive Director
“Mr. Cheung”	Cheung Shui Kwai, an executive Director and the managing Director of the Group

DEFINITIONS

“Mr. Ip”	Ip Ki Cheung, an executive Director and the chairman of the Company
“New Issue”	the issue of the New Shares for cash at the Offer Price under the Placing and the Public Offer
“New Shares”	the 36,000,000 new Shares initially being offered for subscription at the Offer Price under the Placing and the Public Offer
“October Shows”	Hong Kong International Toys & Gifts Show and Asian Gifts Premium & Household Products Show
“Offer for Sale”	the offer for sale of the Sale Shares by the Vendor for cash at the Offer Price under the Placing
“Offer Price”	the price of HK\$1.00 per Offer Share
“Offer Shares”	the Public Offer Shares and the Placing Shares
“Over-allotment Option”	the option granted by the Company to Ka Wah Capital pursuant to the Underwriting and Placing Agreement to require the Company to allot and issue up to an aggregate of 10,800,000 additional new Shares representing 15% of the total number of Offer Shares initially available under the Share Offer at the Offer Price to cover over-allocations in the Placing
“Pace Maker”	Pace Maker Finance Limited, a company incorporated under the laws of the BVI with limited liability, the entire issued share capital of which is beneficially owned by Mr. Chan
“Pro-Capital Investments”	Pro-Capital Investments Limited, a company incorporated under the laws of the BVI with limited liability and a direct wholly-owned subsidiary of the Company
“Placing”	the conditional placing of the Placing Shares by the Placing Underwriters on behalf of the Company and the Vendor at the Offer Price with professional, institutional and private investors as described in the section headed “Structure of the Share Offer” in this prospectus
“Placing Shares”	a total of 57,600,000 Shares which consists of 21,600,000 New Shares and 36,000,000 Sale Shares initially being offered pursuant to the Placing, subject to reallocation and the Over-allotment Option as described in the section headed “Structure of the Share Offer” in this prospectus

DEFINITIONS

“Placing Underwriters”	Christfund Securities Limited, CSC Securities (HK) Limited, EAA Securities Limited, Fulbright Securities Limited, GC Securities Limited, Karl-Thomson Securities Company Limited, Koffman Securities Limited, Magnum International Securities Limited, Magusta Securities Limited, MasterLink Securities (Hong Kong) Corporation Limited, Paul Securities Limited, Phoenix Capital Securities Limited, SBI E2-Capital Securities Limited, Shun Loong Securities Company Limited, Tiffit Securities (Hong Kong) Limited, Wintech Securities Limited
“Polonius”	Polonius Company Limited, a company incorporated under the Companies Ordinance with limited liability and an indirect wholly-owned subsidiary of the Company
“PRC” or “China”	the People’s Republic of China which, for the purposes of this prospectus, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Public Offer”	the offer to the public in Hong Kong of the Public Offer Shares for cash at the Offer Price, payable in full on application, on and subject to the terms and conditions in this prospectus and the related application forms
“Public Offer Shares”	14,400,000 New Shares initially being offered for subscription pursuant to the Public Offer, subject to reallocation and the Over-allotment Option as described in the section headed “Structure of the Share Offer” in this prospectus
“Public Offer Underwriters”	Asian Capital (Corporate Finance) Limited, CEF Capital Limited, Christfund Securities Limited, EAA Securities Limited, Fulbright Securities Limited, Hooray Securities Limited, Karl-Thomson Securities Company Limited, Koffman Securities Limited, Magnum International Securities Limited, Magusta Securities Limited, MasterLink Securities (Hong Kong) Corporation Limited, Paul Securities Limited, Shun Loong Securities Company Limited, Tiffit Securities (Hong Kong) Limited, Tung Tai Securities Company Limited, Wintech Securities Limited, YF Securities Company Limited
“Relevant Kenfair Group”	Polonius, Kenfair Publications, Kenfair International and Kenfair (Overseas)
“Reorganisation”	the reorganisation of the Group in preparation for the listing of the Shares referred to in the paragraph headed “Group reorganisation” in Appendix V to this prospectus
“Sale Shares”	the aggregate of 36,000,000 Shares being offered for sale by the Vendor for cash at the Offer Price under the Placing
“SDI Ordinance”	the Securities (Disclosure of Interests) Ordinance (Chapter 396 of the Laws of Hong Kong)

DEFINITIONS

“Securities Ordinance”	the Securities Ordinance (Chapter 333 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Share Offer”	the Placing and the Public Offer
“Share Option Scheme”	the share option scheme conditionally adopted by the Company on 18th March, 2002, the principal terms of which are summarised in the paragraph headed “Share Option Scheme” in Appendix V to this prospectus
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Underwriters”	the Placing Underwriters and the Public Offer Underwriters
“Underwriting and Placing Agreement”	the underwriting and placing agreement dated 22nd March, 2002 and entered into among the Company, the Vendor, the executive Directors, the Covenantors, the Sponsor, the Co-sponsors and the Underwriters, particulars of which are summarised in the paragraph headed “Underwriting arrangements and expenses” in the section headed “Underwriting” on pages 65 to 70 of this prospectus
“UK”	the United Kingdom of Great Britain and Northern Ireland
“United States” or “US”	the United States of America
“Vendor”	Capital Concord
“WTO”	World Trade Organisation
“HK\$” and “cents” or “HK dollars”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“RMB”	renminbi, the lawful currency of the PRC
“US\$” or “US dollars”	US dollars, the lawful currency of the US
“sq.ft.”	square feet
“sq.m.”	square metres
“%”	per cent.
“£” or “British pounds”	pounds sterling, the lawful currency of the UK