

STRUCTURE OF THE GLOBAL OFFERING

OFFER PRICE AND PRICE PAYABLE ON APPLICATION

The Offer Price will not be more than HK\$3.95 and is expected to be not less than HK\$2.77 per Offer Share. Based on the maximum Offer Price of HK\$3.95 per Offer Share, plus 1.0% brokerage fee, 0.004% SFC transaction levy and 0.005% Stock Exchange trading fee, one board lot of 1,000 Shares will amount to a total of HK\$3,989.86.

The Offer Price is expected to be determined by the Company and the Joint Global Coordinators (on behalf of the Underwriters) on or before 12:00 noon, Saturday, 16 December, 2006.

The Joint Global Coordinators, on behalf of the Underwriters, may, where considered appropriate based on the level of interest expressed by prospective professional, institutional and/or other investors during a book-building process, and with our consent, reduce the indicative Offer Price range and/or the number of Offer Shares below that stated in this prospectus prior to the morning of the last day of lodging applications under the Hong Kong Public Offering. In such a case, the Company will as soon as practicable following the decision to make such reduction and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering publish a notice in the South China Morning Post and the Hong Kong Economic Times of the reduction in the indicative Offer Price range and/or number of Offer Shares.

Upon issue of such a notice, the revised Offer Price range and/or number of Offer Shares will be final and conclusive and the Offer Price, if agreed upon by the Company, will be fixed within such revised Offer Price range. In this notice, the Company will also confirm or revise, as appropriate, the issue statistics as currently set out in "Summary", and any other financial information which may change as a result of such reduction. **If you have already submitted an application for Hong Kong Offer Shares before the last day of lodging applications under the Hong Kong Public Offering, you will not be allowed to subsequently withdraw your application, even if the number of Offer Shares and/or the indicative Offer Price range is reduced.** If the Company does not publish a notice in the South China Morning Post and the Hong Kong Economic Times of a reduction in the indicative Offer Price range stated in this prospectus on or before the morning of the last day of lodging applications under the Hong Kong Public Offering, the Offer Price, if agreed upon by the Company, will be within the Offer Price range as stated in this prospectus.

If the Joint Global Coordinators (on behalf of the Underwriters) and the Company are unable to reach agreement on the Offer Price by 12:00 noon, Saturday, 16 December, 2006 or such later time as may be agreed by the Company and the Joint Global Coordinators (on behalf of the Underwriters), the Global Offering will lapse.

CONDITIONS

Acceptance of all applications for the Global Offering will be conditional upon:

- (i) the Listing Committee of the Stock Exchange granting a listing of and permission to deal in the Shares;
- (ii) the Offer Price having been duly determined and the execution and delivery of the International Underwriting Agreement on or about the Price Determination Date; and

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- (iii) the obligations of the Underwriters under each of the Underwriting Agreements becoming unconditional (including the waiver of any condition(s) by the Joint Global Coordinators (each on behalf of the Underwriters) and not being terminated in accordance with the terms of those agreements or otherwise,

in each case, on or before the dates and times specified in the Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times) and in any event not later than 30 days after the date of this prospectus.

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, amongst other things, the other offering becoming unconditional and not having been terminated in accordance with its terms.

If the above conditions are not fulfilled, all application monies will be returned, without interest, on the terms set out in the sections headed “How to apply for Hong Kong Offer Shares” and “Terms and Conditions of the Hong Kong Public Offering”. In the meantime, such monies will be held in a separate bank account with the receiving banker or other licensed bank(s) in Hong Kong.

OFFER MECHANISM — BASIS OF ALLOCATION OF SHARES

The Global Offering

The Global Offering consists of the Hong Kong Public Offering and the International Offering. The 399,000,000 Shares initially offered will comprise 359,100,000 Shares (subject to adjustment as described below) being offered under the International Offering and 39,900,000 Shares (subject to adjustment as described below) being offered under the Hong Kong Public Offering. The 399,000,000 Shares being offered by the Company under the Global Offering will represent about 25% of the Company’s enlarged share capital immediately after completion of the Global Offering.

BNP Paribas is the sole sponsor, and BNP Paribas and UBS are the Joint Global Coordinators, the Joint Bookrunners and Joint Lead Managers, of the Global Offering.

Subject to possible reallocation on the basis set forth below, 39,900,000 Shares, representing 10% of the total number of Shares initially being offered under the Global Offering, will be offered to the public in Hong Kong under the Hong Kong Public Offering. The Hong Kong Public Offering is open to all members of the public in Hong Kong as well as to institutional and professional investors in Hong Kong.

Out of the total 399,000,000 Shares offered pursuant to the Global Offering, 359,100,000 Shares (subject to possible reallocation set forth below), representing 90% of the total number of Shares initially being offered under the Global Offering, will be placed with professional, institutional and/or other investors in Hong Kong, and certain other jurisdictions, under the International Offering. The International Offer Shares will be offered in Hong Kong, and certain other jurisdictions outside the United States in offshore transactions, as defined in, and in reliance on, Regulation S, and in the United States to qualified institutional buyers, as defined in and in reliance on, Rule 144A.

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In connection with the Global Offering, under the International Underwriting Agreement, the Selling Shareholder is expected to grant to the International Underwriters the Over-allotment Option which is exercisable by the Joint Global Coordinators (on behalf of the International Underwriters) within 30 days from the last day for lodging applications under the Hong Kong Public Offering. Pursuant to the Over-allotment Option, the Selling Shareholder may be required to sell up to an aggregate of 59,850,000 Shares at the Offer Price (in aggregate representing 15% of the number of Shares initially being offered under the Global Offering) to, among other things, cover over-allocations in the International Offering on the same terms and conditions as the other Offer Shares. BNP Paribas or any person acting for it may also cover over allocations in the International Offering by purchasing Shares in the secondary market or by a combination of purchases in the secondary market and the exercise (together with UBS), in part or in full, of the Over-allotment Option or borrowing Shares from shareholders of the Company under stock borrowing arrangements. The number of Shares that may be over-allocated will not exceed the maximum number of Shares that may be sold by the Selling Shareholder under the Over-allotment Option. Any such secondary market purchases will be made in compliance with all applicable laws, rules and regulations. If the Over-allotment Option is exercised in full, on completion of the Global Offering, the Offer Shares will represent about 28.75% of the Company's enlarged issued share capital.

If the Joint Global Coordinators decide to exercise the Over-allotment Option, it will be exercised to cover, among other things, over-allocations in the International Offering. The International Offer Shares (including any over-allocations) will be allocated prior to the commencement of trading of the Shares on the Stock Exchange.

The levels of indication of interest in the International Offering and the basis of allotment and the results of application under the Hong Kong Public Offering are expected to be published in the South China Morning Post (in English) and in the Hong Kong Economic Times (in Chinese) on or before Thursday, 21 December, 2006.

The net proceeds from the Global Offering for the Company, after deducting commissions and expenses and assuming an Offer Price of HK\$3.36 per Share (being the mid-point of the stated range of the Offer Price between HK\$3.95 and HK\$2.77 per Share), are estimated to be about HK\$1,269.4 million.

The International Offering

The Company is initially offering 359,100,000 International Offer Shares for subscription, representing 90% of the total number of Shares initially being offered in the Global Offering, by way of the International Offering. The International Offering is subject to the Hong Kong Public Offering being unconditional.

The International Underwriters are soliciting from prospective professional, institutional and/or other investors indications of interest in acquiring International Offer Shares in the International Offering. Prospective professional, institutional and/or other investors will be required to specify the number of International Offer Shares they would be prepared to acquire either at different prices or at a particular price. This process is known as "book building".

Allocation of the International Offer Shares pursuant to the International Offering is based on a number of factors, including the level and timing of demand and whether or not it is expected that the relevant investor is likely to buy further and/or hold or sell its Shares

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after the Listing. This allocation is generally intended to result in a distribution of the International Offer Shares on a basis which would lead to the establishment of a broad shareholder base to the benefit of the Company and its shareholders as a whole.

If the Hong Kong Public Offering is not fully subscribed, the Joint Global Coordinators may reallocate all or any unsubscribed Shares originally included in the Hong Kong Public Offering to the International Offering.

The International Underwriters or selling agents nominated by the International Underwriters will, on behalf of the Company, conditionally place the International Offer Shares to QIBs in the United States (pursuant to Rule 144A), Hong Kong, in Europe and other regions outside of the United States in offshore transactions, as defined in, and reliance on, Regulation S. The placing of the International Offer Shares shall be subject to the offering restrictions set out under the section “Information about this prospectus and the Global Offering” in this prospectus and in the offering memorandum.

The International Offering is conditional on the same conditions as set out in the section headed “Conditions” above. The total number of International Offer Shares to be allotted and issued and/or offered pursuant to the International Offering may change as a result of the clawback arrangement referred to in the section headed “The Hong Kong Public Offering” below, the exercise of the Over-allotment Option and any reallocation of unsubscribed Shares originally included in the Hong Kong Public Offering.

The Hong Kong Public Offering

The Company is initially offering 39,900,000 Hong Kong Offer Shares for subscription, representing 10% of the total number of Shares initially being offered in the Global Offering, by way of a Hong Kong Public Offering in Hong Kong. The Hong Kong Offer Shares are being offered at the Offer Price. The Hong Kong Public Offering is fully underwritten at the Offer Price by the Hong Kong Underwriters, subject to the terms and conditions of the Hong Kong Underwriting Agreement.

The total number of Shares available for subscription under the Hong Kong Public Offering (after taking into account any reallocation referred to below) is to be divided equally into two pools for allocation purposes: pool A and pool B. The Shares in pool A will be allocated on an equitable basis to applicants who have applied for Shares with an aggregate subscription price of HK\$5 million (excluding the brokerage fee, the SFC transaction levy and the Stock Exchange trading fee payable) or less. The Shares in pool B will be allocated on an equitable basis to applicants who have applied for Shares with an aggregate subscription price of more than HK\$5 million (excluding the brokerage fee, the SFC transaction levy and the Stock Exchange trading fee payable) and up to the value of pool B. For the purpose of this paragraph only, “subscription price” for the Hong Kong Offer Shares means the price payable on application therefore (without regard to the Offer Price as finally determined). Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If Shares in one (but not both) of the pools are undersubscribed, the surplus Shares will be transferred to the other pool to satisfy demand in the pool and be allocated accordingly.

Applicants can only receive an allocation of Shares from either pool A or pool B but not from both pools. Multiple or suspected multiple applications within either pool or between pools and any application for more than the total number of Shares originally allocated to

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each pool (i.e., 19,950,000 Shares) are liable to be rejected. Each applicant under the Hong Kong Public Offering will also be required to give an undertaking and confirmation in the application form submitted by him that he and any person(s) for whose benefit he is making the application have not received any Shares under the International Offering, and such applicant's application is liable to be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be).

The allocation of the Shares between the International Offering and the Hong Kong Public Offering is subject to adjustment. If the number of Shares validly applied for under the Hong Kong Public Offering represents 15 times or more but less than 50 times the number of Shares initially available for subscription under the Hong Kong Public Offering, then Shares will be reallocated to the Hong Kong Public Offering from the International Offering, so that the total number of Shares available for subscription under the Hong Kong Public Offering will increase to 119,700,000 Shares, representing 30% of the Shares initially available for subscription under the Global Offering. If the number of Shares validly applied for under the Hong Kong Public Offering represents 50 times or more but less than 100 times the number of Shares initially available for subscription under the Hong Kong Public Offering, then the number of Shares to be reallocated to the Hong Kong Public Offering from the International Offering will be increased so that the total number of Shares available for subscription under the Hong Kong Public Offering will be 159,600,000 Shares, representing 40% of the Shares initially available for subscription under the Global Offering. If the number of Shares validly applied for under the Hong Kong Public Offering represents 100 times or more the number of Shares initially available for subscription under the Hong Kong Public Offering, then the number of Shares to be reallocated to the Hong Kong Public Offering from the International Offering will be increased, so that the total number of Shares available for subscription under the Hong Kong Public Offering will increase to 199,500,000 Shares, representing 50% of the Shares initially available for subscription under the Global Offering. In each such case, the additional Shares reallocated to the Hong Kong Public Offering will be allocated equally between pool A and pool B and the number of Shares allocated to the International Offering will be correspondingly reduced.

The Offer Shares to be offered in the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Joint Global Coordinators. Subject to the foregoing paragraph, the Joint Global Coordinators may in their discretion reallocate Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. In addition, if the Hong Kong Public Offering is not fully subscribed, the Joint Global Coordinators in their discretion may reallocate all or any unsubscribed Shares originally included in the Hong Kong Public Offering to the International Offering.

BNP Paribas is a joint global coordinator and joint lead manager of the Hong Kong Public Offering. UBS is a joint global coordinator and joint lead manager of the Hong Kong Public Offering. The Hong Kong Public Offering is underwritten at the Offer Price by the Hong Kong Underwriters, on and subject to the terms and conditions of the Hong Kong Underwriting Agreement.

Allocation of Hong Kong Offer Shares to investors under the Hong Kong Public Offering will be based solely on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares validly applied for by applicants but, subject to that, will be made strictly on a pro-rata basis, although this could, where appropriate, consist of balloting. Balloting would mean that

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some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

OVER-ALLOTMENT AND STABILISATION

Stabilisation is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilise, the underwriters may bid for, agree to purchase or purchase, the newly issued securities in the secondary market, during a specified period of time, to retard and, if possible, to prevent a decline in the market price of the securities. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements including those of Hong Kong. In Hong Kong, the stabilisation price will not exceed the initial public offer price. In other jurisdictions, the stabilisation price may or may not be higher than the initial public offer price.

In connection with the Global Offering, BNP Paribas or any person acting for it may over-allocate Shares or effect transactions with a view to supporting the market price of the Offer Shares at a level higher than that which might otherwise prevail for a limited period after the commencement of trading of the Offer Shares on the Stock Exchange. In covering such over-allocations, the Joint Global Coordinators may exercise the Over-allotment Option (on behalf of the International Underwriters) within 30 days from the last day for lodging applications under the Hong Kong Public Offering or make (or agree, offer or attempt to make) open-market purchases in the secondary market. BNP Paribas or any person acting for it may also sell or agree to sell any Shares acquired in the course of any stabilisation action in order to liquidate any position that has been established by such action. However, there is no obligation on BNP Paribas or any person acting for it to conduct any such stabilising action which, if taken, may be discontinued at any time at the absolute discretion of BNP Paribas. The number of Shares over-allocated will not be greater than the maximum number of Shares which may be sold by the Selling Shareholder upon exercise of the Over-allotment Option, being 59,850,000 Shares, which is 15% of the Shares initially available under the Global Offering.

In Hong Kong, stabilising activities must be carried out in accordance with the Securities and Futures (Price Stabilising) Rules of the SFO. Stabilising action permitted pursuant to the Securities and Futures (Price Stabilising) Rules of the SFO includes (i) over-allocation for the purpose of preventing or minimising any reduction in the market price, (ii) selling or agreeing to sell Shares so as to establish a short position in them for the purpose of preventing or minimising any reduction in the market price, (iii) subscribing, or agreeing to subscribe, for Shares pursuant to the Over-allotment Option in order to close out any position established under (i) or (ii) above, (iv) purchasing, or agreeing to purchase, Shares for the sole purpose of preventing or minimising any reduction in the market price, (v) selling, or agreeing to sell, Shares to liquidate a long position held as a result of those purchases and (vi) offering or attempting to do anything described in (ii), (iii), (iv) or (v).

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Any stock borrowing arrangement may include an arrangement agreed between BNP Paribas and Sky Treasure. For the purposes of the stock borrowing arrangement with Sky Treasure, the Company and Sky Treasure have received from the Stock Exchange a waiver from strict compliance with Rule 10.07 (1)(a) of the Listing Rules which otherwise restricts the disposal of Shares by controlling shareholders following a new listing on the following basis:

- (a) the stock borrowing arrangement with Sky Treasure under the stock borrowing agreement entered into with, among others, BNP Paribas may only be effected by BNP Paribas for the settlement of over-allocation in connection with the International Offering;
- (b) the maximum number of Shares borrowed from Sky Treasure will be limited to the maximum number of Shares which may be issued upon exercise of the Over-allotment Option;
- (c) the same number of Shares borrowed from Sky Treasure must be returned to it or its nominees (as the case may be) no later than three business days following the earlier of (i) the last day for exercising the Over-allotment Option; or (ii) the date on which the Over-allotment Option is exercised in full; and
- (d) Sky Treasure will not receive any payment or benefit in respect of such stock borrowing arrangement and such arrangement will be conducted in accordance with all applicable laws and regulatory requirements.

BNP Paribas or any person acting for it may, in connection with the stabilising action, maintain a long position in the Shares. The size of the long position, and the time period for which BNP Paribas or any person acting for it will maintain such a position is at the discretion of BNP Paribas and is uncertain. In the event that BNP Paribas or any person acting for it liquidates this long position by making sales in the open market, this may lead to a decline in the market price of the Shares.

Stabilisation action cannot be taken to support the price of the Offer Shares for longer than the stabilising period which begins on the commencement of trading of the Offer Shares on the Stock Exchange and ends on the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. The stabilising period is expected to expire on 13 January, 2007, and that after this date, when no further stabilising action may be taken, demand for the Shares, and therefore its price, could fall. A public announcement will be made within seven days after the end of the stabilising period in accordance with the Securities and Futures (Price Stabilising) Rules of the SFO.

Investors should be aware that the price of the Shares cannot be assured to stay at or above its Offer Price by the taking of any stabilising action. Stabilisation bids may be made or transactions effected in the course of the stabilising action at any price at or below the Offer Price, which means that stabilising bids may be made or transactions effected at a price below the price the investor has paid for the Offer Shares.

Listing on any other stock exchange

The Directors are not considering any listing of the Company on any other overseas stock exchange. The Company has not submitted any application nor obtained any approval for the listing of the Shares.