
HOW TO APPLY FOR THE PUBLIC OFFER SHARES

WHICH APPLICATION FORM YOU SHOULD USE

1. **WHITE** application form

Use a **WHITE** application form if you want the Public Offer Shares to be issued in your own name.

2. **YELLOW** application form

Use a **YELLOW** application form if you want the Public Offer Shares to be issued in the name of HKSCC Nominees Limited and deposited directly into CCASS for credit to your CCASS investor participant stock account or the stock account of your designated CCASS participant.

WHERE TO COLLECT THE APPLICATION FORMS

1. You can collect a **WHITE** application form and a prospectus during normal business hours from 9:00 a.m. on 20th June, 2005 until 12:00 noon on 23rd June, 2005 at:

- Any participant of the Stock Exchange;
- Kingsway Financial Services Group Limited, 5th Floor, Hutchison House, 10 Harcourt Road, Central, Hong Kong;
- SinoPac Securities (Asia) Limited, 23rd Floor, Two International Finance Centre, 8 Finance Street, Central, Hong Kong;
- Barits Securities (Hong Kong) Limited, Room 3406, 34/F., Edinburgh Tower, The Landmark, 15 Queen's Road Central, Hong Kong;
- BCOM Securities Company Limited, Room 201–202, Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong;
- Core Pacific-Yamaichi International (H.K.) Limited, 36th Floor, Cosco Tower, Grand Millennium Plaza, 183 Queen's Road Central, Hong Kong;
- CSC Securities (HK) Limited, Unit 3204–07, 32/F, Cosco Tower, 183 Queen's Road Central, Hong Kong;
- First Shanghai Securities Limited, 19/F., Wing On House, 71 Des Voeux Road Central, Hong Kong;
- GC Capital (Asia) Limited, Unit 6503–06, 65/F The Centre, 99 Queen's Road Central, Hong Kong;
- KCG Securities Asia Limited, Room 1914–1917, 19/F, Hutchison House, 10 Harcourt Road, Central, Hong Kong;
- KGI Capital Asia Limited, 27/F ICBC Tower, Citibank Plaza, 3 Garden Road, Central, Hong Kong;
- Tai Fook Securities Company Limited, 25th Floor, New World Tower, 16–18 Queen's Road Central, Hong Kong;

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- Taiwan Securities (Hong Kong) Company Limited, Room 4001–3, 40/F., Tower Two, Lippo Centre, 89 Queensway, Central, Hong Kong;

or any of the following branches of Standard Chartered Bank (Hong Kong) Limited:

- HONG KONG ISLAND:**
- Central Branch, Shop No. 16, G/F & LG/F, New World Tower, 16–18 Queen’s Road Central
 - DVR Branch, Standard Chartered Bank Building, 4–4A Des Voeux Road Central
 - 88 DVR Branch, 88 Des Voeux Road Central
 - Leighton Centre Branch, Shop 12–16, UG/F Leighton Centre, 77 Leighton Road, Causeway Bay
 - Hennessy Road Branch, 399 Hennessy Road, Wanchai
 - Quarry Bay Branch, Westlands Gardens, 1027 King’s Road, Quarry Bay, Hong Kong

- KOWLOON:**
- Kwun Tong Branch, 88–90 Fu Yan Street, Kwun Tong
 - Yaumatei Branch, 546–550 Nathan Road, Yaumatei, Kowloon
 - Tsimshatsui Branch, 10 Granville Road, Tsimshatsui
 - Cheung Sha Wan Branch, 828 Cheung Sha Wan Road, Cheung Sha Wan

- NEW TERRITORIES:**
- Tsuen Wan Branch, Shop C G/F & 1/F, Jade Plaza, No. 298 Sha Tsui Road, Tsuen Wan, New Territories

2. You can collect a **YELLOW** application form and a prospectus from:

- the Depository Counter of HKSCC at 2nd Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong; or
- the Customer Service Centre of HKSCC at Upper Ground Floor, V-Heun Building, 128–140 Queen’s Road Central, Hong Kong; or

your stockbroker who may have application forms available.

WHEN TO APPLY FOR THE PUBLIC OFFER SHARES

1. **WHITE** or **YELLOW** application forms

- (a) Completed **WHITE** or **YELLOW** application forms, with payment attached, must be lodged by **12:00 noon on Thursday, 23rd June, 2005**, or, if the Application Lists are not open on that day, then by 12:00 noon on the next day when the lists are open.

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- (b) Your completed application form, with payment attached, should be deposited in the special collection boxes provided at any of the branches of Standard Chartered Bank (Hong Kong) Limited listed in the paragraph “Where to collect the application forms” in this section at the following times:

Monday, 20th June, 2005 — 9:00 a.m. to 4:00 p.m.

Tuesday, 21st June, 2005 — 9:00 a.m. to 4:00 p.m.

Wednesday, 22nd June, 2005 — 9:00 a.m. to 4:00 p.m.

Thursday, 23rd June, 2005 — 9:00 a.m. to 12:00 noon

2. Application Lists

The Application Lists will open from 11:45 a.m. to 12:00 noon on Thursday, 23rd June, 2005, except as provided in the sub-paragraph headed “Effect of bad weather on the opening of the Application Lists” below. No proceedings will be taken on applications for the Public Offer Shares and no allotment of any such Shares will be made until after the closing of the Application Lists.

3. Effect of bad weather on the opening of the Application Lists

The Application Lists will not open if there is:

- a tropical cyclone warning signal number 8 or above; or
- a “black” rainstorm warning signal

in force in Hong Kong, or if there are similar extraneous factors as are acceptable to the Stock Exchange, at any time between 9:00 a.m. and 12:00 noon on Thursday, 23rd June, 2005. Instead, they will open between 11:45 a.m. and 12:00 noon on the next business day which is not subject to such conditions at any time between 9:00 a.m. and 12:00 noon in Hong Kong.

If the Application Lists do not open and close on Thursday, 23rd June, 2005, the dates mentioned in the section headed “Expected Timetable” in this prospectus may be affected. A press announcement will be made by the Company in such event.

Business day means a day that is not a Saturday, Sunday or public holiday in Hong Kong.

HOW TO APPLY USING A WHITE OR YELLOW APPLICATION FORM

1. Obtain a **WHITE** or **YELLOW** application form.
2. You should read the instructions in this prospectus and/or the relevant application form carefully. If you do not follow the instructions, your application is liable to be rejected and returned by ordinary post together with the accompanying cheque or banker’s cashier order to you (or the first-named applicant in the case of joint applicants) at your own risk to the address stated on your application form.
3. Complete the application form in English and sign it. Only written signatures will be accepted. Applications made by corporations, whether on their own behalf or on behalf of other persons, must be stamped with the company chop (bearing the company name) and signed by a duly authorised officer, whose representative capacity must be stated. If you are applying as nominee, you must designate on each application form in the box marked “For nominees” an identification number for each beneficial

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owner. If it is a joint application, all applicants must sign the application form. If your application is made through a duly authorised attorney, the Company and the Sponsor (or their respective agents or nominees) may accept it at their discretion and any such acceptance may be subject to any conditions they think fit, including production of evidence of the authority of your attorney.

4. Each application form must be accompanied by either one cheque or one banker's cashier order, which must be stapled to the top left-hand corner of the application form.

If you pay by cheque, the cheque must:

- be in Hong Kong dollars;
- be drawn on your Hong Kong dollar bank account in Hong Kong;
- show your account name, which must either be pre-printed on the cheque, or be endorsed on the back by a person authorised by the bank. This account name must be the same as the name on the application form. If the cheque is drawn on a joint account, one of the joint account names must be the same as the name of the applicant, or the name of the first-named joint applicant in the case of a joint application;
- be made payable to “Horsford Nominees Limited — Jolimark Public Offer”;
- be crossed “Account Payee Only”; and
- not be post-dated.

Your application may be rejected if your cheque does not meet all these requirements or is dishonoured on its first presentation.

If you pay by banker's cashier order, the banker's cashier order must:

- be issued by a licensed bank in Hong Kong and have your name certified on the back by a person authorised by the bank. The name on the back of the banker's cashier order and the name on the application form must be the same. If it is a joint application, the name on the back of the banker's cashier order must be the same as the name of the first-named joint applicant;
- be in Hong Kong dollars;
- be made payable to “Horsford Nominees Limited — Jolimark Public Offer”;
- be crossed “Account Payee Only”; and
- not be post-dated.

Your application is liable to be rejected if your banker's cashier order does not meet all these requirements or is dishonoured on its first presentation.

5. Lodge your application form in one of the collection boxes by the time and at one of the locations, as referred to in paragraph headed “Where to collect the application forms” above.
6. **Multiple or suspected multiple applications are liable to be rejected. Please see the paragraph headed “How many applications you may make” below.**

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7. In order for the **YELLOW** application forms to be valid:
- If you are applying through a designated CCASS participant (other than a CCASS investor participant):
 - the designated CCASS participant or its authorised signatories must sign in the appropriate box; and
 - the designated CCASS participant must endorse the form with its company chop (bearing its company name) and insert its participant I.D. in the appropriate box.
 - If you are applying as an individual CCASS investor participant:
 - you must fill in your full name and your Hong Kong Identity Card number; and
 - you must insert your participant I.D. and sign in the appropriate box.
 - If you are applying as a joint individual CCASS investor participant:
 - you must insert all joint CCASS investor participants' names and the Hong Kong Identity Card numbers of all of the joint CCASS investor participants; and
 - you must insert your participant I.D. and the authorised signatory or signatories of the CCASS investor participant's stock account must sign in the appropriate box.
 - If you are applying as a corporate CCASS investor participant:
 - you must insert your company name and your company's Hong Kong Business Registration number; and
 - you must fill in your participant I.D. and stamp your company chop (bearing your company's name) in the presence of the authorised signatory or signatories of the CCASS investor participant's stock account in the appropriate box.
- The signature(s), number of signatories and form of chop, where appropriate, in each **YELLOW** application form should match the records kept by HKSCC. Incorrect or incomplete details of the CCASS participant or the omission or inadequacy of authorised signatory or signatories (if applicable), CCASS participant I.D. or other similar matters may render the application invalid.
8. Nominees who wish to submit separate applications in their names on behalf of different beneficial owners are requested to designate on each application form in the box marked "For nominees" an identification number for each beneficial owner.
9. Part of your Hong Kong Identity Card number/passport number, or, if you are joint applicants, part of the Hong Kong Identity Card number/passport number of the first-named applicant, provided by you may be printed on your refund cheque, if any. Such data would also be transferred to a third party for refund purpose. Your banker may require verification of your Hong Kong Identity Card number/passport number before encashment of your refund cheque. Inaccurate completion of your Hong Kong Identity Card number/passport number may lead to delay in encashment of or may invalidate your refund cheque.

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HOW TO COMPLETE THE APPLICATION FORMS

There are detailed instructions on each application form. You should read these instructions carefully. If you do not follow the instructions, your application may be rejected.

If your application is made through a duly authorised attorney, the Company and the Sponsor (or their respective agents or nominees) may accept the application at their discretion, and subject to any conditions as they think fit, including production of evidence of the authority of your attorney.

HOW MANY APPLICATIONS YOU MAY MAKE

There are only one situation where you may make more than one application for the Public Offer Shares:

1. If you are a nominee, you may lodge more than one application in your own name on behalf of different owners. In the box on the application form marked “For nominees” you must include:
 - an account number; or
 - some other identification code

for **each** beneficial owner. If you do not include this information, the application will be treated as being for your benefit.

Otherwise, multiple applications are not allowed.

All of your applications will be rejected as multiple applications if you, or you and your joint applicants together:

- make more than one application (whether individually or jointly with others) on a **WHITE** or **YELLOW** application form;
- apply (whether individually or jointly with others) on one **WHITE** or **YELLOW** application form for more than 100% of the Public Offer Shares initially available for either — Pool A or B being offered for subscription (i.e. over 6,250,000 Shares);
- apply for, take up or receive any Placing Shares under the Placing or otherwise participate in the Placing; and/or
- indicate any interest in any Shares under the Placing

All of your applications will also be rejected as multiple applications if more than one application is made for **your benefit**. If an application is made by an unlisted company and

- the only business of that company is dealing in securities; and
- you exercise statutory control over that company

then that application will be treated as being for your benefit.

Unlisted company means a company with no equity securities listed on the Stock Exchange.

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Statutory control means you:

- control the composition of the board of directors of that company; or
- control more than half of the voting power of that company; or
- hold more than half of the issued share capital of that company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

HOW MUCH ARE THE PUBLIC OFFER SHARES

The Offer Price is HK\$1.14 per Offer Share. You must also pay a brokerage of 1%, an SFC transaction levy of 0.005%, an investor compensation levy of 0.002% and a Stock Exchange trading fee of 0.005%. This means that for every board lot of 2,000 Shares, you will pay HK\$2,303.07. The application forms have tables showing the exact amount payable for different multiples of Public Offer Shares applied for.

You must pay the Offer Price, the brokerage, the SFC transaction levy, the investor compensation levy and the Stock Exchange trading fee in full when you apply for the Public Offer Shares. Your payment must be by cheque or banker's cashier order and must comply with the terms of the application forms. Your cheque or banker's cashier order will not be presented for payment before 12:00 noon on Thursday, 23rd June, 2005.

If your application is successful, brokerage will be paid to participants of the Stock Exchange, the transaction and investor compensation levies will be paid to the SFC and the Stock Exchange trading fee will be paid to the Stock Exchange.

CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOTTED PUBLIC OFFER SHARES

Full details of the circumstances in which you will not be allotted Public Offer Shares are set out in the notes attached to the application forms, and you should read them carefully. You should note in particular the following situations in which Public Offer Shares will not be allotted to you:

- **Revocation of your application:**

You agree that you cannot revoke your application before the expiration of the fifth day after the time of the opening of the application lists (excluding for this purpose any day which is a Saturday, Sunday or public holiday in Hong Kong), unless a person responsible for this prospectus under section 40 of the Companies Ordinance (as applied by section 342E of the Companies Ordinance) gives a public notice under that section having the effect of excluding or limiting the responsibility of that person for this prospectus. If your application has been accepted, it cannot be revoked.

- **If the allocation of the Public Offer Shares is void:**

Your allotment of Shares will be void if the Stock Exchange does not grant permission to list the Shares either:

- within three weeks from the closing of the Application Lists; or
- within a longer period of up to six weeks as may, within three weeks of the closing of the Application Lists, be notified to the Company by or on behalf of the Stock Exchange.

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- **At the discretion of the Company or its agents:**

The Company, the Sponsor, Kingsway Financial (acting on behalf of the Public Offer Underwriters) and their respective agents and nominees (as the Company's agents) have full discretion to reject or accept any application, or to accept only part of any application, without having to give any reason for any rejection or acceptance.

- **If you do not receive an allotment:**

You will not receive any allotment if:

- you make multiple or suspected multiple applications;
- you or the persons for whose benefit you are applying have been or will be allotted Placing Shares;
- you apply on an application form for more than 50% of the Public Offer Shares initially being offered to the public for subscription; or
- the Company believes that acceptance of your application would violate the applicable securities or other laws, rules or regulations.

You may not receive any allotment if:

- your application form has not been completed correctly;
- your payment is not in the correct form; or
- you pay by cheque or banker's cashier order and the cheque or banker's cashier order is dishonoured on its first presentation.

- **If your application is not accepted:**

Your application will not be accepted if:

- the Underwriting Agreements do not become unconditional in accordance with its terms; or
- the Underwriting Agreements are terminated in accordance with its terms or otherwise.

PUBLICATION OR RESULTS

The Company expects to release the level of indication of interests in the Placing, basis of allotment and results of applications of the Public Offer on Tuesday, 28th June, 2005 in the South China Morning Post (in English) and Hong Kong Economic Times (in Chinese).

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DESPATCH/COLLECTION OF SHARE CERTIFICATE(S) AND REFUND OF APPLICATION MONIES

WHITE Application Form:

If you have applied for 1,000,000 Public Offer Shares or more and have indicated on your application form that you will collect Share certificate(s) and/or refund cheque(s), you may collect it/them in person from:

Computershare Hong Kong Investor Services Limited,
Shops 1712–1716, 17th Floor, Hopewell Centre,
183 Queen's Road East, Hong Kong

Share certificate(s) and refund cheque(s) will be available for collection between 9:00 a.m. and 1:00 p.m. on Tuesday, 28th June, 2005.

You must show your identification document to collect your Share certificate(s) and/or refund cheque(s).

Applicants being individuals who opt for personal collection must not authorise any other person to make collection on their behalf. Applicants being corporations who opt for personal collection must attend by their authorised representatives bearing a letter of authorisation from their corporations stamped with the corporations' chops. Both individuals and authorised representatives (if applicable) must produce, at the time of collection, evidence of identity acceptable to Computershare Hong Kong Investor Services Limited.

If you do not collect your Share certificate(s) and/or refund cheque(s), if any, within the time specified for collection as mentioned above they will be sent to the address on your application form shortly after the time for personal collection by ordinary post and at your own risk.

If you have applied for 1,000,000 Public Offer Shares or above and have not indicated on your application form that you will collect your Share certificate(s) and/or refund cheque(s) in person, or if you have applied for less than 1,000,000 Public Offer Shares, then your Share certificate(s) and/or refund cheque(s), if any, will be sent to the address on your application form by ordinary post and at your own risk on the date of despatch.

YELLOW Application Form:

Your Share certificate(s) will be issued in the name of HKSCC Nominees Limited and deposited into CCASS for credit to your investor participant stock account or the stock account of your designated CCASS participant as instructed by you in the Application Form at the close of business on Tuesday, 28th June, 2005, or any other date as shall be determined by HKSCC or HKSCC Nominees Limited.

If you are applying through a designated CCASS participant (other than a CCASS investor participant) for Public Offer Shares credited to the stock account of your designated CCASS participant (other than a CCASS investor participant), you can check the number of Public Offer Shares allotted to you with that CCASS participant.

If you are applying as a CCASS investor participant, the Company will publish the results of CCASS investor participants' applications together with the results of the Share Offer in the newspapers on Tuesday, 28th June, 2005. You should check the announcement published by the Company and report any discrepancies to HKSCC before 5:00 p.m. on Tuesday, 28th June, 2005 or such other date as shall be

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determined by HKSCC or HKSCC Nominees Limited. Immediately after the credit of the Public Offer Shares to your stock account, you can check your new account balance via the CCASS Phone System or the CCASS Internet System (under the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time). HKSCC will also make available to you an activity statement showing the number of Public Offer Shares credited to your stock account.

If you have indicated on your application form that you will collect your refund cheque(s) in person, please follow the instructions set out under the paragraph headed "**WHITE** Application Form" above.

Refund of your application monies

If you do not receive any Public Offer Shares for any of, but not limited to, the reasons set out in the above paragraph headed "Circumstances in which you will not be allocated Public Offer Shares", the Company will refund your application money together with brokerage, SFC transaction levy, SFC investor compensation levy and Stock Exchange trading fee to you without interest. If your application is accepted only in part, the Company will refund the appropriate portion of your application money, brokerage, SFC transaction levy, SFC investor compensation levy and Stock Exchange trading fee to you, without interest. All such interest accrued prior to the date of despatch of refund cheques will be retained for the benefit of the Company.

All refunds will be made by cheque(s) crossed "Account Payee Only", made out to you, or, if you are joint applicants, to the first-named applicant on your application form. Part of your Hong Kong Identity Card number/passport number or, if you are joint applicants, part of the Hong Kong Identity Card number/passport number of the first-named applicant, provided by you may be printed on your refund cheque(s), if any. Such data would also be transferred to a third party for refund purpose. Your banker may require verification of your Hong Kong Identity Card number/passport number before encashment of your refund cheque(s). Inaccurate completion of your Hong Kong Identity Card number/passport number in the application form may lead to delay in encashment of or may invalidate your refund cheque(s).

Share certificates for the Offer Shares will only become valid certificates of title provided that (i) the Share Offer has become unconditional in all respects; and (ii) the Underwriting Agreements have not been terminated in accordance with its terms, which is expected to be at 8:00 a.m. (Hong Kong time) on the Listing Date, as further described in the section headed "Underwriting" in this prospectus.

No receipt will be issued for application money paid. The Company will not issue temporary documents of title.

COMMENCEMENT OF DEALINGS IN THE SHARES

Dealings in the Shares on the Main Board are expected to commence at 9:30 a.m. on 29th June, 2005.

Shares will be traded on the Main Board in board lots of 2,000 Shares each.

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the Shares and the Company complies 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 date of

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commencement of dealings in the Shares on the Stock Exchange or any other date HKSCC chooses. 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 activities under CCASS are subject to the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time.

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