

Dated 7<sup>th</sup> March 2006

**MAGIC KEY INTERNATIONAL HOLDINGS LIMITED**

AND

**BOYCE LIMITED**

AND

**PROSTICKS INTERNATIONAL HOLDINGS LIMITED**

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**SHARE SUBSCRIPTION AGREEMENT**

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**THIS SUBSCRIPTION AGREEMENT IS MADE ON**

**March 2006**

**BETWEEN:-**

1. **MAGIC KEY INTERNATIONAL HOLDINGS LIMITED**, a company incorporated in the British Virgin Islands and whose principal place of business is at Flat 2105, 21/F., Progress Commercial Building, 7-17 Irving Street, Causeway Bay, Hong Kong (the **"First Subscriber"**);
2. **BOYCE LIMITED**, a company incorporated in Hong Kong and whose principal place of business is at Flat 2105, 21/F., Progress Commercial Building, 7-17 Irving Street, Causeway Bay, Hong Kong (the **"Second Subscriber"**);
3. **PROSTICKS INTERNATIONAL HOLDINGS LIMITED**, a company incorporated in the Cayman Islands, having its principal place of business in Hong Kong at 15/F., Asia Financial Centre, 120 Des Voeux Road Central, Hong Kong (the **"Company"**)

**WHEREAS** the Company is a company listed on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited and has an authorized share capital of HK\$80,000,000 comprising 8,000,000,000 Shares, of which 651,700,000 Shares are in issue and the First Subscriber, the Second Subscriber and the Company have agreed that the First Subscriber and the Second Subscriber will invest in the Company subject to and on the terms of this Agreement.

**NOW IT IS AGREED** as follows:-

1. INTERPRETATION

(A) In this Agreement, unless the context otherwise requires:

**"Board"** means the board of Directors;

**"Business Day"** means a day (other than a Saturday) on which banks are open for business in Hong Kong;

<b>“Completion”</b>	means completion of the subscription of the Subscription Shares and, where the context requires, also means the performance by the parties of their respective obligations in accordance with the provisions of Clause 4(B);
<b>“Conditions Precedent”</b>	the conditions precedent as set out in Clause 3(A);
<b>“Consolidated Share(s)”</b>	means share(s) of HK\$0.10 each in the share capital of the Company after the Share Consolidation becoming effective;
<b>“Director(s)”</b>	means at any time a director(s) of the Company at that time;
<b>“EGM”</b>	means the extraordinary general meeting to be held for approving this Agreement and the transactions contemplated therein;
<b>“Executive”</b>	means The Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director;
<b>“First Consideration”</b>	means Hong Kong dollars four million three hundred and fifty five thousand and one hundred (HK\$4,355,100);
<b>“First Subscription Shares”</b>	means 43,551,000 new Consolidated Shares
<b>“GEM”</b>	means the “Growth Enterprise Market” operated by the Stock Exchange;
<b>“Group”</b>	means the Company and its subsidiaries;
<b>“HK\$”</b>	means Hong Kong dollars;
<b>“Hong Kong”</b>	means the Hong Kong Special Administrative Region of the People’s Republic of China;

<b>“Law” or “Laws”</b>	means all laws, regulations, codes, rules, guidelines, notices, circulars, orders, judgments, decrees or rulings of any court, government, governmental authorities or regulatory authorities;
<b>“GEM Listing Rules”</b>	means the Rules Governing the Listing of Securities on GEM of the Stock Exchange;
<b>“PRC”</b>	means the People’s Republic of China;
<b>“Second Consideration”</b>	means Hong Kong dollars three million six hundred and forty four thousand and nine hundred (HK\$3,644,900);
<b>“Second Subscription Shares”</b>	means 36,449,000 new Consolidated Shares;
<b>“SFC”</b>	means The Securities and Futures Commission of Hong Kong;
<b>“Share(s)”</b>	means ordinary share(s) of HK\$0.01 each in the capital of the Company;
<b>“Share Consolidation”</b>	means the consolidation of every 10 Shares in the issued and unissued share capital of the Company into one Consolidated Share in the issued and unissued share capital of the Company;
<b>“Stock Exchange”</b>	means The Stock Exchange of Hong Kong Limited;
<b>“Subscribers”</b>	means the First Subscriber and the Second Subscriber;
<b>“Subscription Shares”</b>	means the First Subscription Shares and the Second Subscription Shares;
<b>“Takeovers Code”</b>	means The Codes of Takeovers and Mergers issued by the SFC; and

- (B) In this Agreement, words importing the singular include the plural and vice versa, words importing gender or the neuter include both genders and the neuter and references to persons include bodies corporate or unincorporated.
- (C) References in this Agreement to the Takeovers Code are references to those paragraphs as respectively amended or re-enacted from time to time (if and to the extent that the paragraphs as amended or re-enacted are for the purposes hereof equivalent to those paragraphs before such amendment or re-enactment) and shall include any paragraph of which there are re-enactments (if and to the extent aforesaid).
- (D) References herein to “Clauses” and “Schedules” are to clauses and schedules to this Agreement respectively and a reference to this Agreement includes a reference to each Schedule.
- (E) The Clause headings in and the table of contents to this Agreement are for convenience only and shall not affect its interpretation.

## 2. SUBSCRIPTION FOR SHARES

- (A) The Company hereby agrees to allot and issue to the First Subscriber and the First Subscriber hereby agrees to subscribe for the First Subscription Shares, free from all rights of pre-emption, options, liens, claims, equities, charges, encumbrances or third-party rights of any nature and with all dividends, benefits and other rights existing at Completion or thereafter becoming attached or accruing thereto, at the First Consideration payable in cash on Completion.
- (B) The Company hereby agrees to allot and issue to the Second Subscriber and the Second Subscriber hereby agrees to subscribe for the Second Subscription Shares, free from all rights of pre-emption, options, liens, claims, equities, charges, encumbrances or third-party rights of any nature and with all dividends, benefits and other rights existing at Completion or thereafter becoming attached or accruing thereto, at the Second Consideration payable in cash on Completion.

## 3. CONDITIONS PRECEDENT

- (A) Completion of the subscription of the Subscription Shares by the Subscribers is conditional upon the following conditions having been fulfilled:

- (a) Each of the Subscribers being satisfied with the results of the due diligence review to be conducted on the assets, liabilities, operations and affairs of the Group as it may consider appropriate on or before the date falling 21 days after the date of publication of the announcement by the Company setting out details of the transactions contemplated herein;
- (b) the passing by the Shareholders (excluding any person(s), if any, who are required to abstain from voting under the GEM Listing Rules and the Takeovers Code) of resolutions in the EGM in compliance with the requirements of the Listing Rules and the Takeovers Code approving:
  - (i) the Share Consolidation;
  - (ii) the transactions contemplated under this Agreement and the allotment and issue of the Subscription Shares;
  - (iii) the granting of a waiver in respect of the obligation of the Subscribers and the parties acting in concert with it (if any) to make a mandatory general offer to the shareholders in respect of the Consolidated Shares not already owned or agreed to be acquired by the Subscribers or any parties acting in concert with them (if any) as a result of the subscription of the Subscription Shares in accordance with Note 1 on dispensations from Rule 26 of the Takeovers Code;
- (c) the Share Consolidation becoming effective;
- (d) the Stock Exchange having granted the listing of and permission to deal in the Consolidated Shares and the Subscription Shares;
- (e) the Executive granting to the Subscribers and parties acting in concert with them (if any) a waiver of the obligation to make a mandatory general offer to the Shareholders in respect of the Consolidated Shares not already owned or agreed to be acquired by the Subscribers or any parties acting in concert with them (if any) as a result of the subscription of the Subscription Shares in accordance with the Note 1 on dispensations from Rule 26 of the Takeovers Code; and
- (f) no indication being received from the Stock Exchange or the SFC that the listing of the Consolidated Shares on the Stock Exchange will or may be

revoked or withdrawn at any time after the Completion, whether in connection with any of the transactions contemplated in this Agreement;

- (B) In the event that any of the Conditions Precedent in Clause 3(A) shall not have been fulfilled on or before 30 June 2006, then the Subscribers shall not be bound to proceed with the subscription of the Subscription Shares and this Agreement shall cease to be of any effect except Clauses 1, 6, 7, 8 and 9 which shall remain in force and save in respect of claims arising out of any antecedent breach of this Agreement.
- (C) The parties hereto agree to use their best endeavors to procure the fulfillment of the conditions in Clause 3(A) above before 30 June 2006.

#### 4. COMPLETION

- (A) Completion of the allotment, issue and subscription of the Subscription Shares shall take place on the second Business Day after the satisfaction of all the conditions set out in Clause 3(A) at 11:00 a.m. Hong Kong time at a place to be agreed between the Company and the Subscribers, failing agreement, at 15/F., Asia Financial Centre, 120 Des Voeux Road, Central, Hong Kong.
- (B) At Completion, all (but not part only of) the following business shall be transacted:-
  - (a) the Company shall allot and issue the First Subscription Shares credited as fully paid and subject to the First Subscriber having given at least five Business Days' notice of that name to the Company deliver or cause to be delivered to the First Subscriber share certificate(s) in respect of the First Subscription Shares in the name of the First Subscriber or its nominee(s);
  - (b) the Company shall allot and issue the Second Subscription Shares credited as fully paid and subject to the Second Subscriber having given at least five Business Days' notice of that name to the Company deliver or cause to be delivered to the Second Subscriber share certificate(s) in respect of the Second Subscription Shares in the name of the Second Subscriber or its nominee(s);



(c) the Company shall:-

- (i) cause such persons as the Subscribers may nominate to be validly appointed as directors of the Company and/or each of its subsidiaries forthwith;
- (ii) cause all directors of the Company, except Mr. Li Ching Ping Vincent, be resigned from the Board;
- (iii) revoke all authorities to the bankers of the Company and/or each of its subsidiaries relating to bank accounts and give the authority to such persons as the Subscribers may nominate to operate the same;
- (iv) deliver to the Subscribers all current books and accounts and other records, cheque books and title deeds and evidence of ownership to all assets of the Company and each of the subsidiaries and all current contracts or agreements in its possession or control;
- (v) deliver to the Subscribers certified true copies of the resolutions or minutes of the board of directors of the Company and/or each of its subsidiaries (in a form approved by the Subscribers in advance) in relation to:
  - the change of directorate in the Company and/or each of its subsidiaries as referred to in Clauses 4(B)(c)(i) and 4(B)(c)(ii);
  - the change of bank mandates relating to bank accounts of the Company as referred to in Clause 4(B)(c)(iii);

(d) against compliance and fulfillment by the Company of the provisions as set out in Clauses 4(B)(a) and 4(B)(c), the First Subscriber shall deliver to the Company the amount of HK\$4,355,100 by way of a cashier's order drawn on a licensed bank in Hong Kong in favour of the Company or as it may direct as full satisfaction of the First Consideration.

(e) against compliance and fulfillment by the Company of the provisions as set out in Clauses 4(B)(b) and 4(B)(c), the Second Subscriber shall deliver to the Company the amount of HK\$3,644,900 by way of a cashier's order drawn on a licensed bank in Hong Kong in favour of the Company or as it may direct as full satisfaction of the Second Consideration.

- (C) Without prejudice to any further legal remedies, neither of the parties hereto shall be obliged to complete this Agreement or perform any obligations hereunder unless the other party complies fully with the requirements of Clause 4(B).

5. REPRESENTATIONS WARRANTIES AND UNDERTAKINGS

- (A) Each of the Subscribers hereby represents, warrants and undertakes to the Company that at the date hereof and as at Completion:-

- (i) it has full power to enter into this Agreement and to exercise its rights and perform its obligations hereunder and (where relevant) all corporate and other actions required to authorize its execution of this Agreement and its performance of its obligations hereunder have been duly taken and this Agreement is a legal, valid and binding agreement on it, enforceable in accordance with its terms;
- (ii) the obligations of the First Subscriber and the Second Subscriber under this Agreement are and will at all times constitute direct, unconditional, unsecured, unsubordinated and general obligations of, and will rank at least pari passu with, all other present and future outstanding unsecured obligations, issued, created or assumed by the First Subscriber and the Second Subscriber;
- (iii) the execution, delivery and performance of this Agreement by the First Subscriber or the Second Subscriber does not and will not violate in any respect any provision of:
  - (a) any Law;
  - (b) the Laws and documents incorporating and constituting the Subscriber; or
  - (c) any agreement or other undertaking to which the First Subscriber or the Second Subscriber is a party or which is binding upon it or not of its assets, and does not and will not result in the creation or imposition of any encumbrance on any of its assets pursuant to the provisions of any such agreement or other undertaking.

(B) The Company hereby represents, warrants and undertakes to the Subscribers that as at the date hereof and as at Completion:-

- (i) it has full power to enter into this Agreement and to exercise its rights and perform its obligations hereunder and (where relevant), subject to the fulfillment of the conditions set out in Clause 3(A) all corporate and other actions required to authorize its execution of this Agreement and its performance of its obligations hereunder have been duly taken and this Agreement is a legal, valid and binding agreement on it, enforceable in accordance with its terms;
- (ii) the obligations of the Company under this Agreement are and will at all times constitute direct, unconditional, unsecured, unsubordinated and general obligations of, and will rank at least pari passu with, all other present and future outstanding unsecured obligations, issued, created or assumed by the Company;
- (iii) the execution, delivery and performance of this Agreement by the Company does not and will not violate in any respect any provision of:
  - (a) any Law;
  - (b) the Laws and documents incorporating and constituting the Company; or
  - (c) any agreement or other undertaking to which the Company is a party or which is binding upon it or any of its assets, and does not and will not result in the creation or imposition of any encumbrance on any of its assets pursuant to the provisions of any such agreement or other undertaking;
- (iv) the Subscription Shares will be allotted and issued fully paid up on Completion in accordance with the constitutional documents of the Company and all relevant Laws, and when issued and allotted, will be free from all liens, claims, equities, charges, encumbrances or third party rights of whatsoever nature, and rank equally with all other Shares then in issue.

- (C) The Company represents, warrants and undertakes to the Subscribers that:
- (i) each of the statements set out in Clause 5(C) is true and accurate as at the date hereof and at Completion;
  - (ii) each of the warranties set out in Clause 5(C) shall constitute a separate and independent warranty to the intent that the Subscribers shall have a separate claim and right of action in respect of every breach of any of the warranties and no warranty shall limit or govern the extent or application of any other warranty;
  - (iii) in the event that the Company is in breach of any of the warranties set out in Clause 5(C) or any other term of this Agreement the Subscribers may (without any liability on their respective parts) rescind this Agreement by notice in writing to the Company;
  - (iv) save as disclosed in Schedule 1, there are no existing service agreements or contracts between the Company / the Group and any directors or executives or employees thereof which cannot be terminated on one month's notice or less;
  - (v) the Group's total indebtedness, otherwise than those payables arising from ordinary course of the Group's business, shall not be more than HK\$5,000,000 at Completion;
  - (vi) save as disclosed in Schedule 2, there is no option, convertible security or other agreements outstanding which accord to any person the right to subscribe for, right to acquire, mortgage, charge, pledge, lien or other form of security or encumbrance on, over or affecting any shares or over any part of the issued or unissued share capital of any member of the Group and there is no agreement or commitment to give or create any of the foregoing and there is no claim by any person to be entitled to any of the foregoing;
  - (vii) there has been no material or substantial fact or circumstance relating to the business or affairs of the Company or of the Group and/or subsidiary which has not been disclosed to the Subscribers and which might if disclosed be reasonably expected to affect the decision of the Subscribers to enter into this Agreement;

- (viii) neither the Company nor the Group and/or its subsidiary has incurred any contingent liabilities or forward commitments or given any guarantees, otherwise than in the ordinary course of its business;
- (ix) the Group has no mortgages charges liens or other encumbrances secured over any of its assets;
- (x) no corporate guarantee, in any form, has been given by the Group for facilities granted to any person and /or the company within the Group or affiliated companies and / or any other entities;
- (xi) no litigation, arbitration or administrative proceedings against the Group is taking place, pending or, to the knowledge of the Company, threatened against the Group, or against any assets of the Group which could have a material adverse effect on the business, assets or financial condition of the Group;
- (xii) the Group is not, nor would with the giving of notice or lapse of time or satisfaction of any other condition (or any combination thereof) be, in breach of or in default under any agreement or other instrument or document to which it is a party or is subject to or by which it or any of its property or assets is bound;
- (xiii) no order has been made or petition presented or resolution passed for winding up of any member within the Group;
- (xiv) no events or omissions have occurred whereby the corporate status of any member of the Group has been or is likely to be adversely affected.
- (xv) with respect to each contract, commitment, arrangement, understanding, tender and bid to which any member of the Group is party or by which it is bound:
  - (a) the relevant member of the Group has duly performed and complied in all material respects with each of its obligations thereunder;
  - (b) there has been no delay, negligence or other default on the part of the relevant member of the Group and no event has occurred which,

with the giving of notice or passage of time, may constitute a default thereunder;

- (c) the relevant member of the Group is under no obligation which cannot readily be fulfilled, performed or discharged by it on time and without undue or unusual expenditure or effort;
- (d) the relevant member of the Group has the technical and other capabilities and the human and material resources to enable it to fulfill, perform and discharge all its outstanding obligations in the ordinary course of business;
- (e) there are no grounds for rescission, avoidance, repudiation or termination and the relevant member of the Group has not received any notice of termination; and
- (f) none of the other parties thereto is in default thereunder.

6. CONFIDENTIALITY

- (A) No announcement and/or no public disclosures (other than public disclosures required by Law, the Stock Exchange or the SFC) on any matter concerning or connected with this Agreement or the Company or any matter ancillary thereto shall be made without the prior written approval of all parties hereto. So far as reasonably practicable, each party hereto shall in good faith consult as to the content, manner of making, and timing of any such announcement (whether one made with the approval or one required by Law) and each party hereto shall comply with such requests in respect thereof as the other party shall reasonably make.
- (B) Each party hereto agrees that it shall not either during the continuance of this Agreement or at any time thereafter disclose or divulge to any person whatsoever or use or exploit for its or his own purpose or benefit to for the purpose or benefit of any other person, firm or corporation any confidential information relating to any other party or to any of the respective clients or business contacts of any such party which may have come to its knowledge (except to the extent such information is in the public domain other than due its default).
- (C) For the purposes of Clause 6(B), the expression "party" shall include the subsidiary companies of any party and any other company controlled by that party and the

employees or agents of that party and of such subsidiaries or controlled companies.

7. GENERAL

- (A) Each party to this Agreement shall bear its own legal and professional fees, costs and expenses incurred in connection with the negotiation, preparation and execution of this Agreement.
- (B) If at any time one or more provisions hereof is or becomes invalid, illegal, unenforceable or incapable of performance in any respect, the validity, legality, enforceability or performance of the remaining provisions hereof shall not thereby in any way be affected or impaired.
- (C) Time shall be of the essence of this Agreement.
- (D) This Agreement shall be binding on and shall enure for the benefit of the successors and assigns of the parties to this Agreement but shall not be capable of being assigned by either of the parties to this Agreement without the prior written consent of the other.
- (E) This Agreement may be signed in any number of counterparts, all of which taken together shall constitute one and the same instrument. Either party to this Agreement may enter into this Agreement by signing any such counterpart.
- (F) All provisions of this Agreement shall so far as they are capable of being performed or observed continue in full force and effect notwithstanding Completion except in respect of those matters then already performed.
- (G) No delay or failure by a party to this Agreement to exercise or enforce (in whole or in part) any right provided by this Agreement or by Law shall operate as a release or waiver, or in any way limit that party's ability to further exercise or enforce that, or any other, right. A waiver of any breach of any provision of this Agreement shall not be effective, or implied, unless that waiver is in writing and is signed by the party against whom that waiver is claimed.
- (H) This Agreement constitutes the entire Agreement between the parties in relation to its subject matter and supersedes all prior agreements and understanding whether oral or written with respect to such subject matter.

- (I) No amendment to this Agreement shall be effective unless it is in writing and signed by both parties to this Agreement. No consent or approval to be given pursuant to this Agreement will be effective unless it is in writing and signed by the relevant party to this Agreement.
- (J) Nothing in this Agreement shall be deemed to constitute a partnership between the parties to this Agreement nor constitute any party the agent of the other party or otherwise entitle any party to have authority to bind the other party for any purpose.

## 8. NOTICES

Any notice, demand or other communication required to be given under this Agreement shall be deemed duly served by hand delivery or by facsimile transmission or by prepaid post to the addresses provided below or to such other address as may have been last notified by 5 days' prior notice in writing by or on behalf of the relevant party to the other parties hereto. Any such notice, demand or other communication shall be deemed to be served at the time when left at the address of the party to be served or, if served by facsimile transmission, when sent or, if served by prepaid post, 3 days after posting. In proving service it shall be sufficient, in the case of service by facsimile transmission, to prove that the transmission was confirmed as sent by the originating machine or in the case of posting, to prove that a notice or communication was properly addressed, stamped and put in the post.

To the First Subscriber:

Address: Flat 2105, 21/F., Progress Commercial Building,  
7-17 Irving Street, Causeway Bay, Hong Kong  
Facsimile: (852) 2881 6171  
Attention: Dr. Chan Lai Yin

To the Second Subscriber:

Address: Flat 2105, 21/F., Progress Commercial Building,  
7-17 Irving Street, Causeway Bay, Hong Kong  
Facsimile: (852) 2881 6171  
Attention: Dr. Chan Lai Yin



To the Company:

Address: 15/F., Asia Financial Centre, 120 Des Voeux Road Central,  
Hong Kong

Facsimile: (852) 2866 8650

Attention: Mr. Vincent C.P. Li

9. GOVERNING LAW AND SERVICE OF PROCESS

(A) This Agreement is governed by and shall be construed in accordance with the laws of Hong Kong, and the parties hereto hereby submit to the non-exclusive jurisdiction of the Courts of Hong Kong in connection herewith but this Agreement may be enforced in any court of competent jurisdiction.

IN WITNESS whereof the parties hereto have executed this Agreement the day and year first before written.

SIGNED by

for and on behalf of

**MAGIC KEY INTERNATIONAL HOLDINGS LIMITED**

in the presence of:-

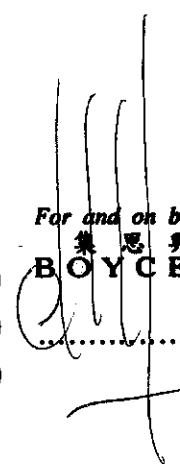
) *For and on behalf of*  
) **MAGIC KEY INTERNATIONAL HOLDINGS LIMITED**  
)   
) .....  
) *Authorized Signature(s)*

SIGNED by

for and on behalf of

**BOYCE LIMITED**

in the presence of:-

) *For and on behalf of*  
) **集思興業有限公司**  
) **BOYCE LIMITED**  
)   
) .....  
) *Authorized Signature(s)*

SIGNED by

for and on behalf of

**PROSTICKS INTERNATIONAL HOLDINGS LIMITED**

in the presence of:-

) *For and on behalf of*  
) **乾坤燭國際控股有限公司**  
) **PROSTICKS INTERNATIONAL HOLDINGS LIMITED**  
)   
) .....  
) *Authorized Signature(s)*

## SCHEDULE 1

1. Service agreement dated 27 November 2001 entered into between the Company and Mr. Li Ching Ping Vincent;
2. Service agreement dated 25 June 2004 entered into between the Company and Mr. Fung Yan Shun;
3. Employment contract dated 1 April 2003 entered into between ProSticks.com Limited and Mr. Cheng Chi Kong.

## SCHEDULE 2

1. Outstanding share options granted under the Pre-IPO Share Option Scheme and Share Option Scheme with details as follows:

Name of Participants	Date of Grant	Exercise Period and Vesting Period	Exercise Price per Share (HK\$)	Options outstanding as at the date of this Agreement
Li Ching Ping Vincent	20/11/2003	20/11/2003-19/11/2013	0.021	24,000,000
Li Yue Toa Gilbert	14/07/2003	14/07/2003-04/07/2013	0.021	16,000,000
Chan Cheong Pang	01/12/2003	01/12/2003-30/11/2013	0.021	5,000,000
Chan Oi Chi Joyce	02/12/2003	02/12/2003-01/12/2013	0.021	5,000,000
Cheng Chi Kong	09/12/2003	09/12/2003-08/12/2013	0.021	3,600,000
Lau Chi Ming	11/12/2003	11/12/2003-10/12/2013	0.021	5,000,000
Andre Hon Chung Chun	14/07/2003	14/07/2003-04/07/2013	0.021	800,000
Ip Chi Ho Vincent	21/07/2003	21/07/2003-04/07/2013	0.021	2,000,000
Ip Chi Ho Vincent	03/02/2004	03/02/2004-29/01/2014	0.050	1,500,000
Lam Wai Yun Agnes	30/07/2003	30/07/2003-04/07/2013	0.021	2,000,000
Ip Chung Man	01/08/2003	01/08/2003-04/07/2013	0.021	400,000
Luk Sui Ping	01/08/2003	01/08/2003-04/07/2013	0.021	200,000
Leung Yip Ho Benny	16/07/2003	16/07/2003-04/07/2013	0.021	4,200,000
Chong Kam Fai	27/11/2001	27/11/2001-26/11/2011	0.120	4,000,000
TOTAL				73,700,000

2. The convertible bond in aggregate principal amount of HK\$2,500,000 issued by the Company to JL Strategic Fund on 1 September 2004 with exercise price of HK\$0.050 -- (subject to adjustment) and exercise period of 1 September 2004 – 31 August 2006.
3. The convertible bond in aggregate principal amount of HK\$2,500,000 issued by the Company to Swordfish Holdings Limited on 1 September 2004 with exercise price of HK\$0.050 (subject to adjustment) and exercise period of 1 September 2004 – 31 August 2006.
4. The convertible bond in aggregate principal amount of HK\$2,000,000 issued by the Company to Rapid Falcon Limited on 22 August 2005 with exercise price of HK\$0.021 (subject to adjustment) and exercise period of 22 August 2005 – 21 February 2007.