



博大資本國際有限公司
Partners Capital International Limited

21 February 2008

To the Independent Board Committee

Dear Sirs,

UNCONDITIONAL MANDATORY CASH OFFERS

INTRODUCTION

We refer to our engagement to advise the Independent Board Committee in respect of the terms of the Offers, particulars of which are set out in a composite offer document (the "Document") despatched to the Independent Shareholders dated 21 February 2008, in which this letter is reproduced. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meanings as ascribed to them under the section headed "Definitions" in the Document.

As set out in the letter from the Board (the "Letter from the Board"), the Offeror, the Vendor and the Guarantor entered into the Agreement on 1 December 2007, pursuant to which the Offeror conditionally agreed to acquire from the Vendor the Sale Shares at an aggregate consideration of HK\$198,021,340. Completion of the Agreement took place on 14 February 2008.

As at the date of the Agreement, the Sale Shares represented approximately 67.32% of the entire issued share capital of the Company. Upon Completion, the Offeror became interested in approximately 67.32% of the entire issued share capital of the Company. In compliance with Rule 26 of the Takeovers Code, the Offeror would upon Completion be required to make an unconditional mandatory cash offer for all the Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) and to make a comparable offer for all the Options in compliance with Rule 13 of the Takeovers Code.

Excalibur, on behalf of the Offeror, is making the Offers on the following basis:

For each Share HK\$2.60 in cash
For cancellation of each Option carrying right
to subscribe for one Share. HK\$0.01 in cash

Further terms and conditions of the Offers, including the procedures for acceptance, are set out in the Document.