

FORM 1 – INDIVIDUAL SUBSTANTIAL SHAREHOLDER NOTICE

General Notes

1. This Form 1 is for use by an individual disclosing a notifiable interest in a Hong Kong listed corporation under Part XV of the Securities and Futures Ordinance (Cap. [•]) (“the Ordinance”). The notification should be filed with The Stock Exchange of Hong Kong (“SEHK”) and the listed corporation concerned at the same time or one immediately after the other.
2. Use :
 - Form 2 if you are a corporation with an interest of 5% or more of the voting shares of a Hong Kong listed corporation making a disclosure.
 - Form 3A if you are notifying interests in shares of the listed corporation of which you are a director or chief executive.
 - Form 3B if you are notifying interests in shares of any associated corporation of the listed corporation of which you are a director or chief executive.
 - Form 3C if you are notifying interests in debentures of the listed corporation of which you are a director or chief executive.
 - Form 3D if you are notifying interests in debentures of any associated corporation of the listed corporation of which you are a director or chief executive.
3. Please use separate forms if you are interested in different classes of shares or debentures of the listed corporation, or different associated corporations of the listed corporation of which you are a director or chief executive. Chinese versions of these forms are also available.

Meaning of “notifiable interest”, “shares”, “substantial shareholder” and “you” in these Notes.

4. A “notifiable interest” is an interest of 5% or more of the voting shares of a Hong Kong listed corporation (in Form 1 and these Notes shortened to “shares”). Form 1 and these Notes use the term “substantial shareholder” to describe a person with a notifiable interest. In these Notes the word “you” refers to the substantial shareholder.

“Relevant event” and “Initial Notification”

5. You must give notification of interests in shares of a listed corporation, and any “short position” (explained in note 12 below) on the occurrence of certain events - called “relevant events” (see s. 299 of the Ordinance). Relevant events include :
 - (i) When you first become interested in 5% or more of the shares of a listed corporation (i.e. when you first acquire a notifiable interest).
 - (ii) When your interest drops below 5% (i.e. you cease to have a notifiable interest).
 - (iii) When there is an increase or decrease in the percentage level of your holding that results in your crossing over a whole percentage number which is above 5% (e.g. your interest increases from 6.8% to 7.1% - crossing over 7%).
 - (iv) When the nature of your interest in the shares changes (e.g. on exercise of an option).
 - (v) When you have a notifiable interest and you come to have, or cease to have, a short position of more than 1% (e.g. you are already interested in 6.8% of the shares of a listed company and take a short position of 1.9%).
 - (vi) When you have a notifiable interest and there is an increase or decrease in the percentage level of your short position that results in your short position crossing over a whole percentage number which is above 1%. (e.g. you are already interested in 6.8% of the shares of a listed company and increase your short position from 1.9% to 2.1%).
 - (vii) If you have an interest in 5% or more of the shares of a corporation that is being listed, shares of a class that is being listed, or shares of a class which are being given full voting rights.
 - (viii) On commencement of the Ordinance, if you have an interest in 5% or more of the shares of a listed corporation, or if you have a short position, which has not previously been disclosed.
 - (ix) If the 5% threshold is reduced or the 1 % threshold for short positions is reduced.

A notification of relevant events (vii) to (ix) is described in Form 1 and these Notes as an “Initial Notification”.

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Timing of notification

6. In the case of events (i) to (vi) in Note 5, you must give the notification within 3 business days of the day you became aware of the relevant event.

For an Initial Notification, you must normally give the notification on this Form 1 within 10 business days after the relevant event. However, if at that date you were not aware that you had an interest, or a short position, then you must give the notification within 10 business days of the day you became aware that you had such an interest.

Working out the percentage figure of your interest

7. In Boxes 15 and 16 of Form 1 you are asked to state the percentage figure of your interest. To work this out you express the total number of shares in which you are interested as a percentage of the number of shares of the listed corporation in issue (i.e. the number in Box 4). Round this figure to two decimal places.

8. In calculating the total number of shares in which you are interested you must include all joint interests (see Note to Box 21 below) derivative interests (see Note 10 below) and any interests, and derivative interests, in shares of the same listed corporation that any of the following persons and trusts have :

- (i) Your spouse and any child of yours under the age of 18 (see notes to Box 19);
- (ii) A corporation which you control (i.e. if you control one-third or more of the voting power at general meetings of the corporation, or if the corporation or its directors are accustomed to act in accordance with your directions) (see notes to Box 20);
- (iii) A trust, if you are a trustee of the trust (other than a trust where you are a bare trustee i.e. where you have no powers or duties except to transfer the shares according to the directions of the beneficial owner) (see notes to Box 22);
- (iv) A discretionary trust, if you had the trust set up or put assets into it and can influence how the trustee exercises his discretion (see notes to Box 22);
- (v) A trust of which you are a beneficiary (discretionary interests may be ignored);
- (vi) All persons who have agreed to acquire interests in shares in the listed corporation, if you are a party to the agreement (see notes to Box 23).

9. You must also count as your short position any short positions that such persons and trusts have. This may create a short position (if you do not have a short position already) or increase the size of your short position.

10. In calculating the level of your interest in shares you must add together both direct and indirect interests. You must not net off long positions and short positions but must disclose these separately. Indirect interests include interests in shares underlying “equity derivatives”. Equity derivatives include instruments such as options, warrants, stock futures and are referred to in these notes as “derivatives”. “Underlying shares” are the shares that may be required to be delivered to you, or by you, under the derivatives, and include the shares used to determine the price or value of the derivatives (e.g. In the case of an issue of “European Style Cash Settled Call Warrants 1998-1999 relating to ordinary shares of HK\$10.00 each in XYZ Ltd. issued by ABC Investment Bank” the “underlying shares” are ordinary shares of HK\$10.00 each in XYZ Ltd.).

“Long positions” and “short positions”

11. You have a “long position” if you have an interest in shares themselves, or hold derivatives under which :

- (i) you have a right to take the underlying shares;
- (ii) you are under an obligation to take the underlying shares;
- (iii) you have a right to receive money if the price of the underlying shares increases; or
- (iv) you have a right to avoid or reduce a loss if the price of the underlying shares increases.

12. You have a “short position” if you borrow shares under a stock borrowing and lending agreement, or if you hold derivatives under which :

- (i) you have a right to require another person to take the underlying shares;
- (ii) you are under an obligation to deliver the underlying shares;
- (iii) you have a right to receive money if the price of the underlying shares declines; or
- (iv) you have a right to avoid a loss if the price of the underlying shares declines.

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13. The number of shares in which you are taken to be interested through derivatives is :
- (i) the number of shares required to be delivered to you, or by you, under the derivatives;
 - (ii) the number of shares by reference to which the amount payable under the derivatives is derived or determined; or
 - (iii) (in the case of stock futures contracts) the contract multiplier times the number of contracts you hold.

If any party to a derivative can choose whether to settle in cash or by delivery then use (i) to work out the number of shares in which you are interested.

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14. When making a disclosure you must satisfy yourself of the requirements of the Ordinance, and if in doubt, please seek appropriate legal advice.
15. Please use block letters (preferably type-written) when completing this Form. If there is insufficient space in any box please use Box 24 to complete your disclosures or use separate sheets. Continuation sheets must be securely annexed to this Form, clearly marked as "Continuation Sheet" and signed by you or on your behalf.
16. You must file a signed copy of this Form 1 (without these Notes) with the listed corporation at its registered office or principal place of business in Hong Kong and a separate signed copy of this Form (without these Notes) with SEHK using one of the following methods :

By Post -
The SDI Unit
Regulation Division
The Stock Exchange of Hong Kong Ltd.
G.P.O. Box 10023
Hong Kong

By Hand -
The SDI Unit
Regulation Division
The Stock Exchange of Hong Kong Ltd.
Tower I & II, Exchange Square
Central, Hong Kong

By Fax - Fax No. 2845 6328

17. The G.P.O. Box set out above is a dedicated P.O. Box for use by the SDI Unit only. Please do not use the general SEHK P.O. Box. No other SEHK fax number should be used. Telephone confirmations of fax notification can be obtained from [•]. Please restrict use of this service to significant or price sensitive notifications.

Specific Notes

If you are giving notification that you have ceased to have a notifiable interest then you need only complete boxes 1 to 14 and 25 to 29 of Form 1. In the case of other events all boxes which apply to you should be completed. Boxes marked # need only be completed if they apply to you.

- Box 1 Please complete the name of the listed corporation in whose shares you are interested.
- Box 2 You can find the stock code on the HKEx Web Site (<http://www.hkex.com.hk>) in the section "Exchange Listings and Listed Companies" under the heading "Company/Securities Profile" by entering the name of the listed corporation. Alternatively you can get it from the corporation itself or a newspaper.
- Box 3 A few corporations have two classes of share capital, each with voting rights (e.g. "A" and "B" shares). Please state the class of shares in which you are interested. If you have an interest in 5% or more of two classes of shares then you should complete a separate notice for each class of shares. You need not complete Box 3 if the listed corporation whose shares you hold has only one class of share capital.
- Box 4 State the number of shares (in the class of shares in which you are interested) which have been issued at the date of the relevant event. If the number of shares in issue is greater immediately after the relevant event than it

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was immediately before that event then state the higher figure. You can find the number of shares issued on the SEHK Web Site or you can ask the corporation.

Boxes 5 to 11. State your personal details as indicated. You need not fill in Boxes 6 and 8 if you do not have a Chinese name. Equally you need not fill in Box 5 if you do not have an English name. Giving an email address in Box 11 is optional.

Box 12 Please state the date of the relevant event (explained in Note 5) which gave rise to the Notice.

Box 13 In the case of events (i) to (vi) in Note 5, if you became aware of the relevant event on a date later than the date that it occurred, then put the date that you became aware of the relevant event in Box 13.

For an Initial Notification, if you were not aware that you had an interest, or a short position, at the date of the relevant event, or were not aware that you had 5% of the shares of the listed corporation, then put the date that you became aware that you had such an interest in the shares in Box 13.

Box 14 Box 14 asks for details of the relevant event. This is the event that triggers the Notice. In the case of relevant events (i) to (viii) in Note 5 the details that you must give in Box 14 relate to the shares bought/sold or involved at that time – not the shares which you already have.

In the case of an Initial Notification you need only complete Box 14 column 1.

In Box 14 column 1 enter the Code from Table 1 below which best describes the relevant event. You will see from Note 8 above that if a person connected with you acquires an interest in shares their interest will be treated as your interest. For example, if a company that you control first acquired 5% or more of the shares of a listed corporation it would use Code 1 and you should use the same Codes.

Use the row entitled “short position” if you are filing the notice because of a change in a short position.

Table 1 – Event or change	Code
LONG POSITIONS	
<i>First acquiring a notifiable interest</i>	
First becoming interested in 5% or more of the shares of the listed corporation. This includes all acquisitions whether by purchase or gift, or by rights/bonus issue and taking steps to enforce rights in respect of shares held by way of security	101
<i>Ceasing to have a notifiable interest</i>	
Ceasing to have an interest in shares of at least 5% of the shares of the listed corporation	102
<i>Change in the percentage level of your interest</i>	
Acquisition or disposal resulting in the percentage level of your interest in shares of the listed corporation crossing over a whole percentage number (e.g. your interest increases from 6.8 % to 7.1 % - crossing over 7 %)	103
<i>Changes in nature of an interest</i>	
Exercise of a right or an option if you have 5% or more of the shares of the listed corporation	104
Lending of shares of the listed corporation under a securities borrowing and lending agreement if you have 5% or more of the shares of the listed corporation	105
Return of shares of the listed corporation lent under a securities borrowing and lending agreement if you have (or had immediately before the return of the shares) 5% or more of the shares of the listed corporation	106
<i>Miscellaneous</i>	
Taking a security interest in shares (other than an exempt security interest)	107
On listing of the corporation if you have 5% or more of the shares of the listed corporation	108
On listing of a class of shares of a listed corporation if you have 5% or more of the shares of that class	109
On commencement of the Ordinance if you have 5% or more of the shares of a listed corporation and such interest was not disclosed under the Securities (Disclosure of Interests) Ordinance (Cap.396) before its repeal	110

SHORT POSITIONS	
Coming to have a short position of 1% (if you also have 5% or more of the shares of the listed corporation). This includes a short position through holding derivatives and borrowing shares under a securities borrowing and lending agreement	111
Ceasing to have a short position of 1% (if you also have 5% or more of the shares of the listed corporation)	112
Acquisition or disposal resulting in the percentage level of your short position crossing over a whole percentage number which is above 1% (if you also have 5% or more of the shares of the listed corporation) e.g. your short position increases from 1.9% to 2.1% - crossing over 2%	113
On commencement of the Ordinance if you have a short position in the shares of a listed corporation of 1% or more (if you also have 5% or more of the shares of the listed corporation)	114
<i>Miscellaneous</i>	
Other	115

Select from Table 2 below the Code which best describes the capacity or nature of your interest and enter the Code in Box 14 column 2 and/or 3. If you have disposed of an interest in shares you should choose the Code describing the capacity in which you held the shares immediately before you disposed of them and enter this Code in Box 14 column 2. If you have acquired an interest in shares you should choose the Code describing the capacity in which you held the shares immediately after you acquired them and enter this Code in Box 14 column 3. If you are giving notice of a change in the nature of your interest in shares, you should complete the Codes describing the capacity in which you held your interest in those shares before and after the relevant event i.e you must complete both columns 2 and 3. If you are, or were, the beneficial owner but another Code also applies, please use the latter Code rather than Code 201.

Use the row entitled “short position” if you are filing the notice because of a change in a short position.

Table 2 –Capacity	Code
Beneficial owner	201
Investment manager	202
Person having a security interest in shares (other than an exempt security interest)	203
<i>Interests by attribution</i>	
Interest of your child under 18 or spouse	204
Interest of corporation controlled by you	205
<i>Trusts and similar interests</i>	
Nominee for another person (other than a bare trustee)	206
Trustee (other than a bare trustee)	207
Custodian	208
Person who set up a discretionary trust	209
Beneficiary of a trust (other than a discretionary interest)	210
<i>Persons acting in concert</i>	
Interests of any parties to an agreement to acquire interests in a particular listed corporation required to be disclosed under s. 308 (1)(a) and s. 309	211
Interests of any parties to an agreement to acquire interests in a particular listed corporation required to be disclosed under s. 308 (1)(b) and s. 309 (controlling shareholder providing cash/making a loan to other parties to such an agreement)	212
<i>Miscellaneous</i>	
Other	213

In Box 14 column 4 state the number of shares concerned (e.g. the number of shares you bought that triggered the Notice). For a change in the nature of an interest (e.g. on exercise of an option) then state the number of shares affected by the change. If none of the Codes applies please give details of the consideration in Box 24.

Lastly, state the consideration per share paid or received (for the interest in shares described in column 4) in columns 5/6 or 7/8 of Box 14 under “On Exchange” or “Off Exchange” as appropriate. In column 5 you should state the highest price per share whilst in columns 6 and 7 you should state the average price/consideration per share. An acquisition or disposal is made “On-Exchange” when the transaction took place in the ordinary course of trading on a recognized exchange and “Off-Exchange” covers all other transactions. If no price or

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consideration has been paid or received the price or consideration should be stated as “NIL”. Codes describing the principal types of consideration for Off-Exchange transactions are set out in Table 3 below. Using Table 3 you should select the Code which best describes the nature of the consideration you paid or received and enter it in Box 14 column 8. If none of the Codes applies then you should describe the nature of the consideration in Box 24.

Table 3 – Nature of consideration	Code	Nature of consideration	Code
Cash	301	Surrender of rights to shares	303
Assets other than cash	302	Services	304

Example of how to complete Box 14.

We have set out below an example of how to complete Box 14. Assume that you already own 4,500,000 shares in the listed corporation or 4.5% of the shares in issue. On 31st December 2000 you purchased (through the Stock Exchange) 400,000 shares for HK\$800,000 and 100,000 shares for HK\$210,000 (all shares to be held beneficially) increasing your total shareholding to 5%. The purchase of 500,000 shares is therefore a relevant event. The date of the relevant event to be inserted in Box 12 would be “31.12.2000” and you should complete Box 14 in the following manner. The Codes to be used are described below.

14. Details of relevant event

	Code describing circumstances (see Table 1)	Code describing capacity in which shares were held (see Table 2)		Number of shares bought/ sold or involved	On Exchange		Off Exchange	
		Before relevant event #	After relevant event #		Highest price per share	Average price per share	Average consideration per share	Code describing nature of consideration (see Table 3)
Long position	101	N/A	201	500,000	\$2.10	\$2.02	N/A	N/A
Short position								

Box 15 In column 1 of Box 15 state the number of shares in which you were interested, and those in which you had a short position, immediately before the relevant event. In column 2 please state the percentage figure of your interest immediately before the relevant event. Note 7 explains how you calculate the percentage figure.

Box 16 Complete Box 16 in the same manner as Box 15 specifying the number of shares in which you were interested, and those in which you had a short position immediately after the date of the relevant event.

Box 17 Select from Table 2 in the notes to Box 14 (above), the Code which best describes the capacity in which you hold the shares listed in Box 16 and enter it in Box 17 column 1. If you hold some of your interests in one capacity (e.g. as beneficial owner), and other interests in another capacity (e.g. as trustee) then use two Codes (on different rows) and state the number of the interests in shares held in each capacity (on different rows) in column 2.

If you also have a short position state the capacity or capacities in which you hold that short position, using the appropriate Code(s), in the rows marked “short position”.

Please proceed to Box 25 if Boxes 18 to 24 do not apply to you.

Derivative interests

Box 18 If you derive all or part of your interest in shares (or your short position) which are listed in Box 16 from equity derivatives, select from Table 4 below the Code which best describes the derivatives that you hold and enter that Code in Box 18 column 1. State the number of shares in which you derive an interest (or a short position) from the derivatives in column 2. Note 13 explains how to work this out. If you have more than one derivative of the same category, add them together and state the total number (in one row) in column 2.

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If you have more than one derivative but they are in different categories use 2 or more or more codes (on different rows) and state the number of shares for each category of derivative (on different rows) in column 2.

Table 4 - Category of derivatives	Code	Category of derivatives	Code
<i>Derivatives listed or traded on a Stock Exchange or traded on a Futures Exchange</i>		<i>Unlisted derivatives</i>	
Physically settled	401	Physically settled	403
Cash settled	402	Cash settled	404

If any party to a derivative can choose whether to settle in cash or by delivery then you should treat that derivative as physically settled.

Interests of children under 18 and/or spouse

Box 19 If your spouse (or child under 18) is interested in shares in the same listed corporation then add your spouse's interest/your child's interest to your interests in calculating whether you are under a duty of disclosure. Details of that interest must also be taken into account in completing Boxes 14 to 18. State the name of the spouse/child, his/her address and the number of shares in which he/she is interested in Box 19. State the details of each additional family member who holds shares in the listed corporation concerned using Box 24.

If your family member also has a short position then the same principles apply.

Interests held by a corporation which you control

Box 20 If you are entitled to exercise, or control the exercise of, one-third or more of the voting power at general meetings of a corporation, or the corporation or its directors are accustomed to act in accordance with your directions, and that corporation is interested in shares of the listed corporation concerned then add the corporation's interest to your interests in working out whether you are under a duty of disclosure. Details of that interest must also be taken into account in completing Boxes 14 to 18.

State the name of the corporation, its address and the number of shares in which it is interested in Box 20.

If there is more than one corporation then details of each corporation must be stated separately. Use Box 24 if there is not enough room.

If the corporation which you control also has a short position then the same principles apply.

Joint interests

Box 21 If you are interested in shares of the listed corporation concerned jointly with another person then you are both taken to be interested in all of the shares held jointly in calculating whether you have to file a notice, and in completing Boxes 14 to 18. State the name of the person who owns the interest in the shares jointly with you, his/her address and the number of shares in which he/she is interested in Box 21. The same principles apply to short positions held jointly.

Interests of trustee or beneficiary of a trust or founder of a discretionary trust

Box 22 If you are a trustee of a trust, a beneficiary of a trust, or if you had a discretionary trust set up or you put assets into a discretionary trust (and can influence how the trustee exercises his discretion), then add all of the shares in which the trust has an interest (or a short position) to your interests in working out whether you must file a notice. Disclose details of that interest (or short position) when completing Boxes 14 to 18. State the name of the Trust which owns the interest in the shares, its address and the number of shares in which the trust is interested (has a short position) in Box 22. Ignore an interest in reversion or remainder, an interest of a bare trustee, and any discretionary interest (of a beneficiary).

Persons acting in concert

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Box 23 If you are a party to an agreement with other parties to acquire interests in shares in the listed corporation in Box 1 in the circumstances set out in s. 308 (1)(a) or (b) then add any shares in which any other party to the agreement is interested to your own interests in working out whether you must file a notice. Details of the interests of any other party must also be taken into account in completing Boxes 14 to 18. You must state the name of each of the other parties to the agreement, his/her address and the number of shares in which he/she is interested in Box 23.

You must also -

- (i) attach a separate sheet to the notification stating that you are a party to an agreement to which s. 308 (1)(a) or (b) applies;
- (ii) include a copy of any written agreement, contract or other document which records any terms or details of the agreement; and
- (iii) if there are no such papers as are mentioned in (ii), or if such papers do not record the material terms of the agreement, include a written memorandum setting out the material terms of the agreement.

The memorandum required under (iii) should include details of any cash or consideration involved and the identity of all persons between whom such cash or other consideration is passed or is intended to pass. If the parties are interested in any derivatives, the exercise or conversion price, expiration date and exercise period should be disclosed. The memorandum must be signed by the substantial shareholder or, if the Form is to be signed by an agent on behalf of the substantial shareholder, the duly authorized agent responsible for signing Form 1.

A notification that a person has ceased to be a party to an agreement to which s. 308 (1)(a) or (b) applies shall also state that he or the other party (as the case may be) has ceased to be a party to the agreement and, in the latter case, include the name and address of the other party.

Continuation Box

Box 24 If there is not enough space in any Box use Box 24 and state the number of the Box from which it is continued and use the same headings. If there is still not enough space annex continuation sheet(s) to the Form stating the number of the Box from which it is continued and using the same headings and format.

Signing and dating and completion by agent

Box 25 You should sign the Form with your normal signature. An agent may complete and sign Form 1 only if the agent has been specifically authorized in writing to do so.

Boxes 26 and 27 If a person signs the Form as agent for the substantial shareholder the agent should state his full name and give his Hong Kong Identity Card number/Passport number.

Box 28 Date Form 1 the same day as it is signed.

Box 29 Please state the number of continuation sheets and pages of attachments or, if there are none, state "NIL".