

OTHER INFORMATION

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2006, the interests and short positions of the directors (the "Directors") and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register maintained by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") were as follow:

(i) Long position in shares of the Company

Name of Director	Capacity/Nature of interest	Number of shares held	Percentage of total issued shares (%)
Xing Xiao Jing	Corporate	1,720,880,650 (Note)	55.41

Note: 1,662,795,650 shares were owned by China GeoMaxima Co., Ltd., a company wholly owned by Hong Chang Group Limited which in turn is wholly and beneficially owned by Ms. Xing Xiao Jing. In addition, Hong Chang Group Limited directly and beneficially owned 58,085,000 shares in the Company.

(ii) Long positions in underlying shares of the Company

Name of Director	Number of options				Date of grant	Exercise period	Exercise price per share HK\$
	Outstanding at 1 January 2006	Granted during the period	Exercised during the period	Outstanding at 30 June 2006			
Xing Xiao Jing	3,000,000	Nil	Nil	3,000,000	2 November 2005	3 November 2005 to 2 November 2010	0.035
Ma Ji	15,000,000	Nil	Nil	15,000,000	2 November 2005	3 November 2005 to 2 November 2010	0.035
Kong Siu Tim	15,000,000	Nil	Nil	15,000,000	2 November 2005	3 November 2005 to 2 November 2010	0.035

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DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

(continued)

(ii) Long positions in underlying shares of the Company (continued)

The options are held by the Directors personally and beneficially. Details of the Company's share option scheme are set out in the section "Share Option Scheme" below.

Save as disclosed above, as at 30 June 2006, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEME

The Company's share option scheme (the "Scheme") was adopted pursuant to an ordinary resolution passed by the shareholders of the Company on 6 March 2002. The Scheme is in full compliance with the relevant requirements of Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

As at 30 June 2006, the Directors and employees of the Group had the following personal interests in options to subscribe for shares of the Company granted at nominal consideration under the Scheme. Each option gives the holder the right to subscribe for one share. Details of share options held by the Directors and employees of the Group and movements in such holdings during the period are as follows:

	Number of options				Date of grant	Exercise period	Exercise price per share HK\$
	Outstanding at 1 January 2006	Granted during the period	Exercised/lapsed during the period	Outstanding at 30 June 2006			
Directors:							
Xing Xiao Jing	3,000,000	Nil	Nil	3,000,000	2 November 2005	3 November 2005 to 2 November 2010	0.035
Ma Ji	15,000,000	Nil	Nil	15,000,000	2 November 2005	3 November 2005 to 2 November 2010	0.035
Kong Siu Tim	15,000,000	Nil	Nil	15,000,000	2 November 2005	3 November 2005 to 2 November 2010	0.035
Employees	157,000,000	Nil	55,000,000	102,000,000	2 November 2005	3 November 2005 to 2 November 2010	0.035
Total	190,000,000	Nil	55,000,000	135,000,000			
			(Note)				

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SHARE OPTION SCHEME *(continued)*

Note: During the period, 700,000 options lapsed due to cessation of employment of participant with the Group while 54,300,000 options were exercised. The weighted average closing price of the Company's shares immediately before the dates on which the options were exercised was HK\$0.0645 per share.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30 June 2006, the following persons, not being a Director or chief executive of the Company, had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO, the details of which are set out below:

Long position in shares of the Company

Name of shareholder	Capacity/Nature of interest	Number of shares held	Percentage of total issued shares (%)
China GeoMaxima Co., Ltd.	Beneficial	1,662,795,650	53.54
Hong Chang Group Limited	Corporate	1,662,795,650	53.54
Hong Chang Group Limited	Beneficial	58,085,000	1.87

Note: 1,662,795,650 shares were owned by China GeoMaxima Co., Ltd., a company wholly owned by Hong Chang Group Limited which in turn is wholly and beneficially owned by Ms. Xing Xiao Jing, the Chairman of the Board of the Company. In addition, Hong Chang Group Limited directly and beneficially owned 58,085,000 shares.

Saved as disclosed above in this section, as at 30 June 2006, the Company has not been notified of any other persons (other than the Directors or chief executive of the Company) who had any interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

During the six months ended 30 June 2006, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

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AUDIT COMMITTEE

The Audit Committee, which comprises all Independent Non-executive Directors, has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including a review of the unaudited interim financial statements of the Company.

CORPORATE GOVERNANCE

The Company has complied with the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 of the Listing Rules throughout the six months ended 30 June 2006 except the following:

The Code Provision A.4.1 requires that non-executive directors should be appointed for a specific term and subject to re-election. None of the existing Non-executive Directors (including Independent Non-executive Directors) of the Company is appointed for a specific term. However, as all of them are subject to the retirement provisions of the Bye-laws of the Company, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Code.

The Code Provision A.4.2 requires that every director should be subject to retirement by rotation at least once every three years. The Bye-laws of the Company provided that the chairman of the Board and the managing director of the Company should not be subject to retirement by rotation. Amendments were subsequently made to the Bye-laws of the Company to comply with the Code Provision A.4.2 by way of a special resolution passed by shareholders at the Annual General Meeting of the Company held on 26 May 2006.

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code (the "Model Code") for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules as the Company's code of conduct and rules governing dealing by all directors in the securities of the Company.

All directors have complied with the required standard regarding directors' securities dealings set out in the Model Code during the six months ended 30 June 2006.

By Order of the Board

Ma Ji

Executive Director

Hong Kong, 12 September 2006