

*Contingent Liabilities*

The Group did not have any material contingent liabilities as at 30 June 2006.

*Employees and Remuneration Policies*

As at 30 June 2006, the Group has approximately 46 employees. Remuneration is determined by reference to their qualifications and experiences of the staff concerned and according to the prevailing industry practice. Besides salary payments, other staff benefits include contribution of mandatory provident fund, a discretionary bonus program and a share option scheme.

**PROSPECTS**

On 27 February 2006, the Group entered into the sale and purchase agreement (the "Formal Agreement") with the independent third parties pursuant to which the Group agreed to acquire 51% of the issued share capital of the BVI Company and a loan of RMB61,200,000 due from one of the independent third parties (the "Seller") to the BVI Company from the Seller at an aggregate cash consideration of RMB61,200,001. We are of the opinion that the Investment provides an opportunity for the Group to broaden its business scope and diversify into industrial property development with focus on port infrastructure. All the conditions of the Formal Agreement have been fulfilled after the period end and completion took place on 20 September 2006.

The Board will continue to look for investments with reasonable return by investing on quality property projects in Hong Kong or the PRC, and the Board continues to commit to achieve this objective and is optimistic of its success.

**DIRECTORS' INTEREST IN SHARES**

As at 30 June 2006, the interests of the Directors and Chief Executive of the Company in the equity or debt securities and underlying shares of the Company or any associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")) which (a) were required to be notified to the Company and The Stock Exchange of Hong Kong limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which the Director is taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Stock Exchange were as follows:

**Interests in the Company**

| <b>Name</b>     | <b>Nature of Interest</b>    | <b>No. of shares held</b> | <b>Percentage to issued share capital</b> |
|-----------------|------------------------------|---------------------------|---|
| Ms. Ma Xiaoling | Corporate interest<br>(Note) | 120,212,256               | 42.03%                                    |

*Note:* Ms. Ma Xiaoling is the beneficial owner of the entire issued share capital of Keenlead Holdings Limited, which owned 120,212,256 shares as at 30 June 2006