

CAPITAL STRUCTURE

On 29 March 2006, the Company announced, among other matters, that it proposed to (i) implement a share consolidation ("Share Consolidation") pursuant to which every ten existing ordinary shares of HK\$0.10 each in the issued and unissued share capital of the Company be consolidated into one consolidated share of HK\$1.00 ("Consolidated Share"); (ii) subject to the Share Consolidation, proposed a rights issue ("Rights Issue") to raise not less than approximately HK\$18.1 million before expenses by issuing not less than 18,100,000 rights shares ("Rights Shares") and not more than 20,600,000 Rights Shares at the subscription price of HK\$1.00 per Rights Share on the basis of one Rights Share for every two Consolidated Shares held on the record date. Further details of the Share Consolidation and Rights issue are set out in the Company's circular dated 3 May 2006.

The resolutions in respect of the Share Consolidation were duly passed by the Company's shareholders at the special general meeting of the Company held on 22 May 2006, and the Share Consolidation became effective on 23 May 2006.

The Rights Issue, which was underwritten on a fully underwritten basis, became unconditional on 22 June 2006. Upon completion, the Company issued 18,100,000 Rights Shares of HK\$1.00 each at the subscription price of HK\$1.00 per Rights Share.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries, purchased, redeemed or sold any of the Company's listed securities during the period ended 30 September 2006.

SHARE OPTION SCHEME

In the Company's annual general meeting held on 27 August 2003, an ordinary resolution was passed by the Company's shareholders for adoption of a new share option scheme (which is complied with amended Chapter 17 of the Listing Rules) and termination of the Company's share option scheme adopted on 22 November 1995. No share options have been granted by the Company under both of the above-mentioned share option schemes.