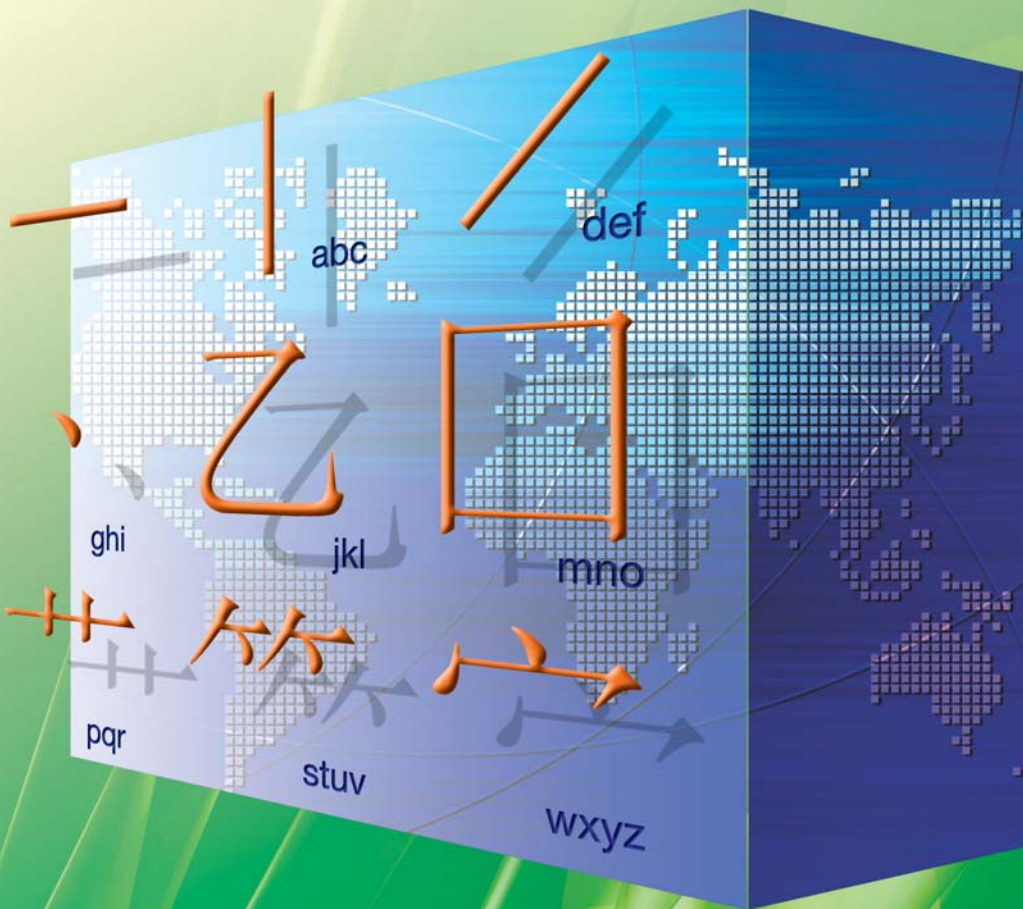




Q9 Technology Holdings Limited (九方科技控股有限公司)*

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8129)

Third Quarterly Report 2006



CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED ("STOCK EXCHANGE")

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM listed issuers.

The Stock Exchange takes no responsibility for the contents of this report, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This report, for which the directors of Q9 Technology Holdings Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market ("GEM Listing Rules") of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: - (1) the information contained in this report is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

FINANCIAL HIGHLIGHTS

- The Group recorded turnover of HK\$3,222,000 for the nine months ended 30 September 2006, representing a decrease of 13% from the corresponding period of last year.
- The Group recorded OEM licensing revenue of HK\$999,000 for the nine months ended 30 September 2006, representing a decrease of 29% from the corresponding period of last year.
- Packaged software sales of HK\$2,094,000 for the nine months ended 30 September 2006, is about the same level as the corresponding period of previous year.
- The Group recorded a net loss attributable to shareholders for the nine months ended 30 September 2006 of HK\$4,892,000 (first nine months of 2005: net loss attributable to shareholders of HK\$4,907,000).
- The Group total operating expenses for the nine months ended 30 September 2006 was reduced by 8.9% compared to first nine months of 2005.

The unaudited consolidated results for the nine months ended 30 September 2006 and the comparison with last year are set out in the accompanying table.

NINE MONTHS RESULTS (UNAUDITED)

The Board of Directors (the "Directors") of Q9 Technology Holdings Limited (the "Company") are pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the three months and nine months ended 30 September 2006, together with the unaudited comparative figures for the corresponding periods in 2005 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2006 HK\$'000	2005 HK\$'000	2006 HK\$'000	2005 HK\$'000
Revenue	2	1,500	1,015	3,222	3,705
Cost of sales		(67)	(82)	(209)	(254)
Gross profit		1,433	933	3,013	3,451
Other operating income	3	124	122	384	298
Selling and distribution expenses		(887)	(1,068)	(1,900)	(2,507)
Research and development expenses		(283)	(296)	(900)	(966)
General and administrative expenses		(1,685)	(1,640)	(5,089)	(5,183)
Loss before income tax		(1,298)	(1,949)	(4,492)	(4,907)
Income tax expense	4	—	—	—	—
Loss after income tax		(1,298)	(1,949)	(4,492)	(4,907)
Loss on disposal of subsidiary		(400)	—	(400)	—
Loss for the period		(1,698)	(1,949)	(4,892)	(4,907)
Loss per share	6				
- Basic		(HK0.14 cent)	(HK0.16 cent)	(HK0.39 cent)	(HK0.39 cent)
- Diluted		N/A	N/A	N/A	N/A

Notes:

1 Basis of presentation and accounting policies

The unaudited condensed consolidated interim financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards (“HKFRS”), the applicable requirements of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“GEM Listing Rules”) and the Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The unaudited condensed consolidated interim financial statements have been prepared under the historical cost convention, as modified for revaluation of financial assets at fair value through profit or loss. The accounting policies and basis of preparation adopted in these interim financial statements are consistent with those adopted in the Group’s annual financial statements for the year ended 31 December 2005.

The Group has adopted the following new or revised standards which are effective for the accounting periods commencing on or after 1 January 2006. The adoption of such standards did not have material effect on these interim financial statements.

HKAS 21 (Amendment)	The Effects of Changes in Foreign Exchange Rates – Net Investment in a Foreign Operation
HKAS 39 (Amendment)	The Fair Value Option

The Group has not early adopted the following standards that have been issued but are not yet effective. The adoption of such standards will not result in substantial changes to the Group’s accounting policies.

HKAS 1 (Amendment)	Capital Disclosures
HKFRS 7	Financial Instruments – Disclosures
HK (IFRIC) – Int 8	Scope of HKFRS 2
HK (IFRIC) – Int 9	Reassessment of Embedded Derivatives

2 Revenue and segment information

The Group is principally engaged in software and embedded systems development. Revenue, which is also the Group's turnover recognised during the relevant periods are as follows:

	Unaudited		Unaudited	
	Three months ended		Nine months ended	
	30 September		30 September	
	2006	2005	2006	2005
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue				
Sale of goods	889	816	2,223	2,298
Licensing income	611	199	999	1,407
	<u>1,500</u>	<u>1,015</u>	<u>3,222</u>	<u>3,705</u>

In accordance with the Group's internal financial reporting, the Group has determined that business segment is presented as the primary reporting format and geographic segment as the secondary reporting format.

No business segment analysis is provided as sales and licensing of software and embedded systems is the Group's only business segment.

Geographical segment analysis is as follows:

	Unaudited		Unaudited	
	Three months ended		Nine months ended	
	30 September		30 September	
	2006	2005	2006	2005
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong	1,049	967	2,650	3,635
Mainland China	451	48	572	70
	<u>1,500</u>	<u>1,015</u>	<u>3,222</u>	<u>3,705</u>

3 Other operating income

	Unaudited		Unaudited	
	Three months ended		Nine months ended	
	30 September		30 September	
	2006	2005	2006	2005
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Interest income	90	122	277	298
Sundry income	34	—	107	—
	<u>124</u>	<u>122</u>	<u>384</u>	<u>298</u>

4 Income tax expense

No Hong Kong profits tax has been provided as the Group did not generate any assessable profits arising in Hong Kong for the nine months ended 30 September 2006 (nine months ended 30 September 2005: Nil).

During the nine months ended 30 September 2006, provision for the profits tax of subsidiaries operating outside Hong Kong has not been provided as the subsidiaries did not generate any assessable profits in the respective jurisdictions (nine months ended 30 September 2005: Nil).

At 30 September 2006, the Group has net deferred tax assets mainly arising from tax losses of approximately HK\$70,000,000 (As at 31 December 2005: HK\$66,600,000). However, the net deferred tax assets have not been recognised as it is uncertain whether future taxable profit will be available for utilising the accumulated tax losses. Under the current tax legislation, the tax losses can be carried forward indefinitely.

5 Interim dividend

The Directors do not recommend the payment of interim dividend for the nine months ended 30 September 2006 (nine months ended 30 September 2005: Nil).

6 Loss per share

The calculation of the basic loss per share is based on the Group's unaudited consolidated loss attributable to equity holders of the Company for the three months and nine months ended 30 September 2006 of HK\$1,698,000 and HK\$4,892,000 respectively (three months and nine months ended 30 September 2005: HK\$1,949,000 and HK\$4,907,000 respectively) and on 1,246,350,000 (three months and nine months ended 30 September 2005: 1,246,350,000) ordinary shares of the Company in issue during the periods.

No diluted loss per share is presented as the exercise of the subscription rights attached to the share options would not have a dilutive effect on the loss per share.

7 Reserves

	Share premium (unaudited) HK\$'000	Capital redemption reserve (unaudited) HK\$'000	Warrants reserve (unaudited) HK\$'000	Reorganisation reserve (unaudited) HK\$'000	Accumulated losses (unaudited) HK\$'000	Total (unaudited) HK\$'000
At 1 January 2005	87,601	37	6,250	3,000	(84,128)	12,760
Loss for the period	—	—	—	—	(4,907)	(4,907)
	<u>87,601</u>	<u>37</u>	<u>6,250</u>	<u>3,000</u>	<u>(89,035)</u>	<u>7,853</u>
At 30 September 2005	87,601	37	6,250	3,000	(89,035)	7,853
	<u>87,601</u>	<u>37</u>	<u>6,250</u>	<u>3,000</u>	<u>(91,488)</u>	<u>5,400</u>
At 1 January 2006	87,601	37	6,250	3,000	(91,488)	5,400
Loss for the period	—	—	—	—	(4,892)	(4,892)
	<u>87,601</u>	<u>37</u>	<u>6,250</u>	<u>3,000</u>	<u>(96,380)</u>	<u>508</u>
At 30 September 2006	87,601	37	6,250	3,000	(96,380)	508

BUSINESS REVIEW AND PROSPECTS

The consolidated turnover of the Company and its subsidiaries for the nine months ended 30 September 2006 amounted to HK\$3,222,000, representing a decrease of 13% from the corresponding period of last year. Loss attributable to shareholders for the nine months ended 30 September 2006 amounted to HK\$4,892,000 compared to a loss of HK\$4,907,000 for the corresponding period of last year. The loss per share was HK0.39 cents (First nine months of 2005: loss per share of HK0.39 cents).

The Group total operating expenses for the nine months ended 30 September 2006 was reduced by 8.9% compared to first nine months of 2005.

The OEM licensing revenue for nine months ended 30 September 2006 amounted to HK\$999,000 representing a decrease of 29% from the corresponding period of last year.

Packaged software sales of HK\$2,094,000 for the nine months ended 30 September 2006, which is about the same level as the corresponding period of previous year.

Due to the unfavorable market trend in the OEM licensing business and the Packaged software business, Management will continue to identify opportunities to diversify the product and service offerings of the Group in 2006. The Company Proposed a Rights Issue pursuant to the Prospectus Documents dispatched to the Qualifying Shareholders on 1 November 2006, and subject to the satisfaction of certain conditions as described in the paragraph headed "Conditions of the Rights Issue" under the Section headed "Underwriting Agreement" on pages 13 – 17 of the Prospectus and the Underwriter not terminating the Underwriting Agreement, to raise approximately HK\$24 Million, before expenses of approximately HK\$1 Million, by issuing 623,175,000 Rights Shares, by way of the Rights Issue, at a Subscription Price of HK\$0.039 per Right Share on the basis of One Right Share for every two existing Shares held by the Qualifying Shareholders on the Record Date. The Company intends to set aside HK\$10 million to develop new business models in line with the Group's strategy to diversify its products and service offerings, but as at the Latest Practicable Date the Board has not identified any new line of business models for the Group. The Board considers that upon completion of the Rights Issue, the gearing position of the Group will be improved and the Group's capital base and financial position will be strengthened, thereby facilitating the development of its business in the future.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2006, the interests and short positions of each of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the "SFO")) which (i) are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (ii) were recorded in the register required to be kept under Section 352 of the SFO, or (iii) have to be notified to the Company and the Stock Exchange pursuant to the required standards of dealing by Directors as referred to in Rule 5.46 of the GEM Listing Rules, were as follows:

(i) LONG POSITIONS IN ORDINARY SHARES OF THE COMPANY

Director	Number of shares held				Total	Approximate percentage of holding
	Personal interests	Family interests	Corporate interests (Note)	Other interest		
Leung Lap Yan	Nil	Nil	283,390,000	Nil	283,390,000	22.74%

Note: The shares are held by Step Up Company Limited. Mr. Leung Lap Yan has a controlling interest (41.25%) in Step Up Company Limited and is deemed to have interest in all the shares held by Step Up Company Limited.

(ii) LONG POSITIONS IN UNDERLYING SHARES OF THE COMPANY

(a) Pre-IPO Share Option Scheme and the First Post-IPO Share Option Scheme (“Old Share Option Schemes”)

The Company adopted the Pre-IPO Share Option Scheme on 5 May 2001 which was terminated on 7 May 2001 and replaced on the same date by the first Post-IPO Share Option Scheme (the Pre-IPO Share Option Scheme and the first Post-IPO Share Option Scheme are together called the “Old Share Option Schemes”). The first Post-IPO Share Option Scheme was terminated on 30 April 2002 and replaced on the same date by a second Post-IPO Share Option Scheme (the “New Share Option Scheme”) which remained in force as at 30 September 2006.

As at 30 September 2006, information on share options which had been granted to Directors under the Old Share Option Schemes were as follows:

Director	Date of grant	Number of share options outstanding as at			Number of share options outstanding as at	
		1 January 2006	Exercise price	Option exercise period (Note 1)	Cancelled (Note 2)	30 September 2006
Dr. Lim Yin Cheng (Note 3)	5/5/2001	84,480,000	HK\$0.36	5/5/2001 to 4/5/2011	(84,480,000)	Nil
Mr. Leung Lap Yan	5/5/2001	71,720,000	HK\$0.36	5/5/2001 to 4/5/2011	(71,720,000)	Nil
Mr. Leung Lap Fu Warren	5/5/2001	14,470,000	HK\$0.36	5/5/2001 to 4/5/2011	(14,470,000)	Nil
Mr. Lau Man Kin (Note 4)	5/5/2001	13,390,000	HK\$0.36	5/5/2001 to 4/5/2011	(13,390,000)	Nil
Mr. Tam Kam Biu William	5/5/2001	6,400,000	HK\$0.36	5/5/2001 to 4/5/2011	(6,400,000)	Nil
Mr. Fung Siu To Clement (Note 3)	5/5/2001	2,560,000	HK\$0.36	5/5/2001 to 4/5/2011	(2,560,000)	Nil
Mr. Kwan Kin Chung	5/5/2001	1,150,000	HK\$0.36	5/5/2001 to 4/5/2011	(1,150,000)	Nil
Mr. Kwan Po Lam Phileas (Note 3)	18/5/2001	1,000,000	HK\$0.45	18/5/2001 to 17/5/2011	(1,000,000)	Nil
Mr. Lun Pui Kan (Note 3)	5/5/2001	1,920,000	HK\$0.36	5/5/2001 to 4/5/2011	(1,920,000)	Nil
Mr. Lun Pui Kan (Note 3)	18/5/2001	3,000,000	HK\$0.45	18/5/2001 to 17/5/2011	(3,000,000)	Nil

Notes:

- 1 Option exercise period commenced from the date of grant, terminating ten years thereafter. The options may be exercised at any time within the option period provided that the options have been vested. As at 1 January 2006, all options have been vested.
- 2 The Shareholders have approved cancellation of all outstanding options granted under the Old Share Option Schemes at the Annual General Meeting held on 28 April 2006.
- 3 Dr. Lim Yin Cheng, Mr. Fung Siu To Clement, Mr. Kwan Po Lam Phileas and Mr. Lun Pui Kan have resigned as executive Directors on 4 September 2006.
- 4 Mr. Lau Man Kin has resigned as executive Director on 22 September 2006.
- 5 No option granted pursuant to the Old Share Option Schemes had been exercised or lapsed during the nine months ended 30 September 2006.

(b) **New Share Option Scheme**

No option had been granted to the Directors or the chief executive under the New Share Option Scheme for the nine months ended 30 September 2006.

Save as disclosed above, as at 30 September 2006, none of the Directors or the chief executive of the Company had any interest or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (i) are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (ii) were recorded in the register required to be kept under Section 352 of the SFO, or (iii) have to be notified to the Company and the Stock Exchange pursuant to the required standards of dealing by Directors as referred to in Rule 5.46 of the GEM Listing Rules. During the nine months ended 30 September 2006, no debt securities had been issued by the Group.

SHARE OPTION SCHEMES

(a) OLD SHARE OPTION SCHEMES

As at 1 January 2006, options to subscribe for up to an aggregate of 218,500,000 shares of HK\$0.01 each at a subscription price ranging between HK\$0.36 and HK\$0.45 per share had been granted to certain Directors, employees and advisors under the Old Share Option Schemes. During the nine months ended 30 September 2006, no options has been exercised or lapsed and all outstanding options has been cancelled.

Grantee	Date of grant	Exercise price	Exercise period (Note 1)	Number of share options outstanding as at 1 January 2006	Cancelled (Note 2)	Number of share options outstanding as at 30 September 2006
Directors	5/5/2001	HK\$0.36	5/5/2001 to 4/5/2011	169,590,000	(169,590,000)	—
Directors	5/5/2001	HK\$0.36	5/5/2001 to 4/5/2011	26,500,000	(26,500,000)	—
Directors	18/5/2001	HK\$0.45	18/5/2001 to 17/5/2011	4,000,000	(4,000,000)	—
Employees	5/5/2001	HK\$0.36	5/5/2001 to 4/5/2011	5,130,000	(5,130,000)	—
Employee	18/5/2001	HK\$0.45	18/5/2001 to 17/5/2011	720,000	(720,000)	—
Advisors	5/5/2001	HK\$0.36	11/10/2001 to 10/10/2011	12,560,000	(12,560,000)	—
				218,500,000	(218,500,000)	—
				218,500,000	(218,500,000)	—

Notes:

- The option exercise period is commenced from the date of grant for ten years. The options may be exercised at any time within the option period provided that the options have been vested. As at 1 January 2006, all options have been vested.
- The shareholders have approved cancellation of all outstanding options granted under the Old Share Option Schemes at the Annual General Meeting held on 28 April 2006.

Details of options granted to Directors under the Old Share Option Schemes are set out in the sub-section headed "Long Position in Underlying Shares of the Company" under the section headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures".

(b) NEW SHARE OPTION SCHEME

As at 1 January 2006, options to subscribe up to an aggregate of 10,000,000 shares of HK\$0.01 each at a subscription price HK\$0.042 per share had been granted to certain advisors under the New Share Option Scheme. During the nine months ended 30 September 2006, no option was exercised, lapsed or cancelled.

Grantee	Date of grant	Exercise price	Exercise period	Number of share options outstanding as at 1 January 2006	Number of share options outstanding as at 30 September 2006
Advisors	10/7/2003	HK\$0.042	10/7/2003 to 9/7/2013	10,000,000	10,000,000

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 September 2006, according to the register of interests kept by the Company under Section 336 of the SFO, the following parties (in addition to those disclosed above in respect of the Directors and chief executives) had interests or short positions in the shares or underlying shares of the Company which were required to be recorded in the register and/or were directly or indirectly interested in 5% or more of the issued share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group:

Long positions in shares of the Company

Name	Number of Shares	Percentage
Winway H.K. Investments Limited (Note (i))	300,635,000	24.12%
Culturecom Holdings Limited	300,635,000	24.12%
Step Up Company Limited (Note (ii))	283,390,000	22.74%
Mr Li Di	110,000,000	8.83%

Notes:

- (i) Winway H.K. Investments Limited is a wholly-owned subsidiary of Culturecom Investments Limited, which is, in turn, a wholly-owned subsidiary of Culturecom Holding (BVI) Limited. Culturecom Holding (BVI) Limited is a wholly-owned subsidiary of Culturecom Holdings Limited. Each of Culturecom Investments Limited, Culturecom Holding (BVI) Limited and Culturecom Holdings Limited is deemed to be interested in 300,635,000 shares through its controlling interest (100%) in Winway H.K. Investments Limited.
- (ii) Mr. Leung Lap Yan is deemed to be interested in 283,390,000 shares through his controlling interest (41.25%) in Step Up Company Limited.

Save as disclosed above, as at 30 September 2006, the Directors are not aware of any other persons who had interests or short positions in the shares or underlying shares of the Company which were interested in 5% or more of the issued share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors or management shareholders of the Company (as defined in the GEM Listing Rules) has an interest in a business which competes or may compete with the business of the Group.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Woo Wei Chun, Joseph, has resigned as independent non-executive director of the Company with effect 26 June 2006 due to his personal reasons. Following the resignation of Mr. Woo, the total number of independent non-executive directors falls below the minimum number required under Rule 5.05(1) and (2) of the GEM Listing Rules.

Mr. Shiu Kwok Keung was appointed as independent non-executive director of the Company on 22 September 2006. Following the appointment of Mr. Shiu, the board of directors of the Company includes three independent non-executive directors and has complied with the required of Rule 5.05(1) and (2) of the GEM Listing Rules.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

The Company has not redeemed any of its shares during nine months ended 30 September 2006. Neither the Company nor any of its subsidiaries purchased or sold of the Company's listed securities during the nine months ended 30 September 2006.

CORPORATE GOVERNANCE

The Code on Corporate Governance Practices set out in Appendix 15 of the GEM Listing Rules ("Code") take effect from 1 January 2005. The Company is committed to maintain a high standard of corporate governance. To maintain a good and solid framework of corporate governance will ensure the Company to run its business in the best interests of the shareholders.

Save and except as mentioned under the headings of 'Independent Non-Executive Directors', the Company has complied with the code provision set out in the Code throughout the nine months ended 30 September 2006.

DIRECTOR'S SECURITIES TRANSACTIONS

The Company has adopted Rules 5.48 to 5.67 of the GEM Listing Rules as its code of conduct for securities transactions by Directors of the Company ("Code for Director's Dealings"). The Company has made specific enquiry with Directors and all Directors have complied with the requirements set out in the Code for Director's Dealing for the nine months ended 30 September 2006 under review.

AUDIT COMMITTEE

The audit committee comprises three independent non-executive directors, namely Mr. Ip Chi Wai, Mr. Tse Wang Cheung, Angus and Mr. Shiu Kwok Keung. The terms of reference of the audit committee have been established with regard to Rules 5.28 to 5.33 of the GEM Listing Rules. The Primary duties of the audit committee are to review and supervise the Group's financial reporting process and internal control procedures. The audit committee has reviewed with management this unaudited third quarterly report.

APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the board of directors on 10 November 2006.

By order of the Board
Leung Lap Yan
Chairman

Hong Kong, 10 November, 2006

As of the date of this report, the Board of the Company comprises Mr. Leung Lap Yan, Mr. Leung Lap Fu Warren, Mr. Tam Kam Biu, William, Mr. Wan Xiaolin and Mr. Kwan Kin Chung as Executive Directors, Mr. Ip Chi Wai, Mr. Tse Wang Cheung, Angus and Mr. Shiu Kwok Keung as Independent Non-Executive Directors.