

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the period was the Company or its subsidiary a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS

As at 30 September 2004, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that the following shareholders had notified the Company of the relevant interests in the issued share capital of the Company.

Long positions

Ordinary shares of HK\$0.01 each of the Company

Name of shareholder	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
Shen Gang	Beneficial owner (Note 1)	70,568,000	19.9%
Mr. Wang Chun Lin	Held by controlled corporation (Note 1)	70,568,000	19.9%
Mr. Luk Cheong	Held by controlled corporation (Note 1)	70,568,000	19.9%
Key Mark Investments Limited ("Key Mark")	Beneficial owner (Note 2)	59,176,000	16.7%
Ms. Kwok Kit Ping	Held by controlled corporation (Note 2)	59,176,000	16.7%
Parkwin	Beneficial owner (Note 3)	49,312,000	13.9%
Mr. Li Jian Wei	Held by controlled corporation (Note 3)	49,312,000	13.9%

Notes:

1. Mr. Luk Cheong and Mr. Wang Chun Lin beneficially own 6,600,000 and 6,800,000 ordinary shares of US\$1 each in Shen Gang, representing approximately 33% and 34% of the issued share capital of that company, respectively. Shen Gang in turn owns 70,568,000 ordinary shares of the Company.
2. Ms. Kwok Kit Ping beneficially owns the entire issued share capital of Key Mark. Key Mark in turn owns 59,176,000 ordinary shares of the Company.
3. Mr. Li Jian Wei beneficially owns the entire issued share capital of Parkwin. Parkwin in turn owns 49,312,000 ordinary shares of the Company.

Other than as disclosed above, the Company has not been notified of any other interests or short position in the issued share capital of the Company as at 30 September 2004.