

DIRECTORS' INTERESTS IN SHARES

At 31st December, 2004, the interests of the directors and their associates in the shares of the Company and its associated corporations as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("SFO"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

Long positions

Ms. Guan Mei was interest in 9,250,000 shares of the Company, representing approximately 16.66% of the issued share capital of the Company as at 31st December, 2004. These shares were held by Aster Well Limited, a company incorporated in the British Virgin Islands and is beneficially owned by Ms. Guan Mei.

Other than as disclosed above, none of the directors nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as at 31st December 2004.

EMPLOYMENT AND REMUNERATION POLICY

Including the directors of the Group, as at 31st December, 2004, the group employed a total of approximately 24 staff. The Group's remuneration packages are generally structured by reference to market terms and individual merit. Salaries are normally reviewed on an annual basis based on performance appraisals and other relevant factors. During the period under review, no share option were granted or exercised.

SUBSTANTIAL SHAREHOLDERS

At 31st December, 2004, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO showed that the following shareholders had notified the Company of the relevant interest in the issued share capital of the Company:

Long positions

Name	Number of shares	Approximate percentage of issued share held
Pioneer Wealth Limited (Note 1)	13,477,250	24.27%
Aster Well Limited (Note 2)	9,250,000	16.66%

Note 1: The entire share capital of Pioneer Wealth Limited is beneficially owned by Ms. Deng Hong.

Note 2: The entire share capital of Aster Well Limited is beneficially owned by Ms. Guan Mei.

Other than as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 31st December, 2004.