

ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING RULES**Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures**

As at 31st December 2004, the interests and short positions of the directors and chief executive of the Company and their associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were notified to the Company and the SEHK 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) and required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise required to be notified to the Company and the SEHK pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Rules Governing the Listing of Securities on the SEHK (the "Listing Rules"), were as follows:

- (a) Interests in long positions of ordinary shares of the Company

	Number of ordinary shares				Total
	Personal interests	Family interests	Corporate interests	Other interests	
Yip Man Fan	–	7,500,000 <i>(Note 1)</i>	–	120,000,000 <i>(Note 2)</i>	127,500,000
Tsunoyama Toru	22,500,000	–	–	–	22,500,000

Notes:

- Shares are held by Ms. Tang Yuk Lan, the spouse of Mr. Yip Man Fan.
- Shares are held by discretionary trusts of which Mr. Yip Man Fan and members of his family are beneficiaries.

(b) Share options of the Company

Details of the share options outstanding as at 31st December 2004 which had been granted under the share options schemes of the Company were as follows:

(i) Pre-listing share option scheme

	Number of share options					Sub- scription price HK\$	Grant date	Exercise period	Vesting period (from grant date)
	Held at 1st July 2004	Granted during the period	Exercised during the period	Lapsed during the period	Held at 31st December 2004				
Directors:									
Yip Man Fan	2,000,000	-	-	-	2,000,000	0.72	22nd February 2002	22nd February 2003 - 7th January 2012	1 year
Kwok Kam Hoi	2,000,000	-	-	-	2,000,000	0.72	22nd February 2002	22nd February 2003 - 7th January 2012	1 year
Tsunoyama Toru	1,950,000	-	-	-	1,950,000	0.72	22nd February 2002	22nd February 2003 - 7th January 2012	1 year
Continuous contract employees	8,800,000	-	-	390,000	8,410,000	0.72	22nd February 2002	22nd February 2003 - 7th January 2012	1 year
Bona fide consultants of the Group	290,000	-	-	170,000	120,000	0.72	22nd February 2002	22nd February 2003 - 7th January 2012	1 year
	15,040,000	-	-	560,000	14,480,000				

(ii) *Post-listing share option scheme*

	Number of share options					Sub- scription price HK\$	Grant date	Exercise period	Vesting period (from grant date)
	Held at 1st July 2004	Granted during the period	Exercised during the period	Lapsed during the period	Held at 31st December 2004				
Director:									
Kwok Kam Hoi	2,000,000	-	-	-	2,000,000	0.67	27th April 2004	27th April 2005 – 26th April 2014	1 year
Continuous contract employees	13,038,000	-	-	1,382,000	11,656,000	0.67	27th April 2004	27th April 2005 – 26th April 2014	1 year
Consultants/ Advisors	3,576,000	-	-	46,000	3,530,000	0.67	27th April 2004	27th April 2005 – 26th April 2014	1 year
	18,614,000	-	-	1,428,000	17,186,000				

The share options granted are not recognised in the accounts until they are exercised. The directors are of the view that it is not appropriate to disclose the value of the options granted since any valuation of the above options would be subject to a number of assumptions and variables that would be subjective and uncertain.

Save as disclosed above, as at 31st December 2004, none of the directors or chief executive or their associates had any personal, family, corporate or other interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations which had been entered in the register kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the SEHK pursuant to the Model Code.

Directors' Rights to Acquire Shares or Debentures

Apart from as disclosed in the "Share options of the Company" disclosures on pages 11 to 12, at no time during the period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate granted to any directors or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Company's directors, their respective spouse or children under 18 years of age to acquire such rights in any other body corporate.

Substantial Shareholders' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 31st December 2004, the persons (other than directors and chief executive of the Company whose interests or short positions have been disclosed above) who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

Name of shareholders	Note	Number of ordinary shares	Percentage of holding
Aceland Holdings Ltd.	1 & 2	120,000,000	60.00%
Redwood Pacific Limited	2 & 4	120,000,000	60.00%
HSBC International Trustee Limited	3 & 4	120,000,000	60.00%
Tang Yuk Lan	5	127,500,000	63.75%

Notes:

1. Aceland Holdings Ltd. is the trustee of The Yip Unit Trust, which holds 60% of the shareholdings of the Company.
2. Redwood Pacific Limited is the trustee of The Yip Man Fan Unit Trust, which holds 100% of those units in The Yip Unit Trust.
3. HSBC International Trustee Limited is the trustee of The Yip Man Fan Family Trust, which holds 99.99% of the units in The Yip Man Fan Unit Trust.
4. Under Part XV of the SFO, each of Redwood Pacific Limited and HSBC International Trustee Limited is taken to have an interest in the same 120,000,000 ordinary shares held by Aceland Holdings Ltd, on trust for The Yip Unit Trust. These shares therefore duplicate each other.
5. Ms. Tang Yuk Lan is the spouse of Mr. Yip Man Fan. Under Part XV of the SFO, each of Mr. Yip Man Fan and Ms. Tang Yuk Lan is taken to have an interest in the shares held by each other. These shares therefore duplicate each other.

Same as disclosed above, the Company has not been notified of any other interests or short positions representing 5% or more of the issued share capital of the Company and recorded in the register maintained under Section 336 of the SFO.

Purchase, sale or redemption of shares

During the six months ended 31st December 2004, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares.

Model Code of the Listing Rules

The Company has adopted the Model Code of the Listing Rules during the period under review. The Company has made specific enquiry with all directors of the Company and all of them confirmed that they have complied with the required standard set out in the Model Code for the six months ended 31st December 2004.

Code of Best Practice

None of the directors of the Company is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the six months ended 31st December 2004, in compliance with the Code of Best Practice as set out in Appendix 14 to the Listing Rules which was in force prior to 1st January 2005, except that the independent non-executive directors of the Company have no fixed terms of office, but will retire from office on rotation basis in accordance with the Company's bye-laws.

Audit Committee

The audit committee of the Company has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including a review of the unaudited interim accounts for the six months ended 31st December 2004, in conjunction with the external auditors.

