

## **DISCLOSURE UNDER RULE 13.18 OF THE RULES GOVERNING THE LISTING OF SECURITIES ON THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "LISTING RULES")**

### **Loan facility with covenants relating to specific performance of the controlling shareholder**

The Company was granted a three-year term loan facility ("Loan Facility") amounting to US\$16,000,000 in September 2005 which required that:

- i) Mr. Lau Siu Ying ("Mr. Lau"), the single largest controlling shareholder, Chairman of the Board and Chief Executive Officer of the Company, and his Associates continues to remain collectively the legal and beneficial owner of the entire issued share capital of Future 2000 Limited; and Future 2000 Limited continues to be the single largest shareholder of the Company; and
- ii) Mr. Lau is either the Chairman or the Chief Executive Officer of the Company and continues to engage in full-time management of the Company.

A breach of any of the above conditions will constitute an event of default under the Loan Facility. If such an event of default occurs, all amounts outstanding, including the accrued interest and all other sums payable, under this Facility may become immediately due and payable.

### **DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES**

As at 30 June 2005, the interests and short positions of the Directors and Chief Executive in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which are required (a) to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Stock Exchange were as follows:

#### **Long position in Shares**

<b>Name of Director</b>	<b>Nature of interests</b>	<b>Number of Issued ordinary shares held</b> <i>(Note)</i>	<b>Percentage of the issued share capital of the Company</b>
Lau Siu Ying	Held by trust	211,500,013	70%

*Note:* These shares are held by Future 2000 Limited, a company incorporated in the British Virgin Islands which in turn is held by a trust. The beneficiaries of the discretionary trust include Mr. Lau Siu Ying, his spouse and his children.

Save as disclosed above, none of the directors, chief executives nor their respective associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as defined in the SFO as at 30 June 2005.

#### **DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES**

At no time during the period was the Company or its holding company or any of its subsidiaries a party to any arrangements 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. None of the directors, their spouses or children under the age of 18 had any rights to subscribe for the securities of the Company or had exercised any such rights during the period.

#### **DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE**

No contracts of significance to which the company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsist at the end of the period or at any time during the period.

#### **SUBSTANTIAL SHAREHOLDERS**

As at 30 June 2005, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the Securities and Futures Ordinance shows that other than the interests and short positions disclosed in the section headed "Directors' and chief executive's interests in shares" above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company.

#### **PURCHASE, SALE OR REDEMPTION OF SHARES AND COMPANY'S LISTED SECURITIES**

During the six months ended 30 June 2005, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.