

DISCLOSURE OF INTERESTS *(Continued)*

(C) Interests and short positions of shareholders discloseable under the SFO *(Continued)*

- 4) The Company received copies of the disclosure of interests forms filed pursuant to the SFO by the provisional liquidator of TKR Finance claiming its securities interests in shares of the Company. Based on the information on the disclosure of interests forms, TKR Finance held 909,690,144 shares of the Company as at 19 June 2004, held 888,870,144 shares of the Company as at 10 November 2004 and 871,186,144 shares of the Company as at 23 December 2004. The provisional liquidator of TKR Finance informed the Company that, as at 22 April 2005, TKR Finance has a security interest in 867,434,144 shares of the Company.
- 5) Winway is a wholly-owned subsidiary of Culturecom Investments Limited ("CIL"), which in turn is a wholly-owned subsidiary of Culturecom Holdings (BVI) Limited ("CHBVIL"), and CHBVIL is a wholly owned subsidiary of Culturecom Holdings Limited ("CHL"). By virtue of the SFO, CIL, CHBVIL and CHL were deemed to be interested in 153,000,000 shares of the Company held by Winway.

Save as disclosed above, as at 30 June 2005, the Company according to the records required to be kept by the Company under Section 336 of the SFO, there was no person who had any interest or short positions in the shares or underlying shares of the Company.

PURCHASE, SALE OR REDEMPTION OF 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.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules. Upon enquiry by the Company, all directors of the Company have confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 June 2005.