

The majority of the directors continue to devote substantial time and efforts in the United States of America to spearhead the implementation of the Company's proposed diversification of investment and business plan. One of the Group's subsidiaries in the United States of America identified several investment opportunities and is prepared to commit investments in opportunities including bio-technology, property development and capital market.

SUBSTANTIAL SHAREHOLDERS' INTEREST IN THE SHARE CAPITAL OF THE COMPANY

As at 30 June 2005, according to the register kept by the Company pursuant to section 336 of the Securities and Futures Ordinance ("SFO") and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, the following persons had an interest or short position in the shares and underlying shares of the Company ("Shares") which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name	<i>Note</i>	Number of Shares	Percentage
Sun East LLC	<i>1</i>	945,456,600	49.88%
Pure Shine Limited ("PSL")		162,951,000	8.60%
Brilliance China Automotive Holdings Limited ("BCA")	<i>2</i>	162,951,000	8.60%

Note:

1. Sun East LLC is a company owned as to 35% by Mr Yung Yeung and as to 65% by Mr Chunhua Huang and Mr Yuwen Sun as trustee for certain trusts established for the benefit of the children of Mr Yung Yeung.
2. PSL is a wholly-owned subsidiary of BCA. By virtue of BCA's interest in PSL, BCA is deemed to be interested in the Shares held by PSL.

Save as disclosed above, no person, other than the Directors, whose interests are set out in the section "Directors' interests in shares" below, had registered an interest in the share capital of the Company that was required to be recorded under Section 336 of the SFO.