

## **OTHER CORPORATE INFORMATION**

### **PURCHASE, SALE AND REDEMPTION OF SHARES**

There was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries during the six months to 30<sup>th</sup> June, 2005.

## DIRECTORS' INTEREST IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30<sup>th</sup> June, 2005, the interests of the directors of the Company in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Future Ordinances (“SFO Ordinances”), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Mode Code for Securities Transactions by the Directors of Listed Companies, were as follows:

### Long Positions

#### a) Ordinary shares of HK\$0.05 each in the Company

Name of director	Capacity	Number of issued of ordinary share held	Percentage of the issued share capital of the Company
Leung Shu Wing	Beneficial owner	184,691,075	41.457%
Yuen Tin Fan, Francis	Held by controlled corporation(Note 1)	26,984,000	6.057%
	Founder of discretionary trust (Note 2)	74,770,000	16.783%
		101,754,000	22.840%
Leung Miu King	Beneficial owner	20,634,000	4.632%
Wong Chi Kin	Beneficial owner	767,000	0.172%
Wong Choi Ying	Beneficial owner	9,500	0.002%
		<u>307,855,575</u>	<u>69.103%</u>

Note:

- 26,984,000 shares in the Company are owned by Tien Fung Hong Group Limited, a company which is 60% owned by Mr. Yuen Tin Fan, Francis.
- 74,770,000 shares in the Company are owned by T F Yuen Trust, Mr. Yuen Tin Fan, Francis is a founder who has set up the T F Yuen Trust.

**b) Non-voting preferred shares in the Company's subsidiaries**

<b>Name of subsidiary</b>	<b>Name of director</b>	<b>Capacity</b>	<b>Number of non-voting preferred shares</b>	<b>Percentage of the non-voting preferred shares capital of the company</b>
Kee Shing Hardware Supplies Limited	Wong Chi Kin	Beneficial Owner	400,000	100%
Kee Shing Industrial Products Limited	Leung Shu Wing	Beneficial Owner	7,000	70%
Sam Wing International Limited	Leung Shu Wing	Beneficial Owner	19,440	90%

Save as disclosed above, at 30<sup>th</sup> June, 2005, 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 subsidiaries or associated corporation as defined in the SFO Ordinances.

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

At no time during the period under review was the Company or any of its subsidiaries a party to any arrangement 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. In addition, none of the directors, or their spouses or children under the age of 18 had any right to subscribe for the securities of the Company and had exercised any such right during the period under review.

## **SUBSTANTIAL SHAREHOLDERS' INTERESTS**

Other than the interests of certain director disclosed under the heading “Directors’ Interest in Shares, Underlying Shares and Debentures” above, the register of substantial shareholders maintained by the Company pursuant to Section 336 of SFO Ordinance discloses no other person as having a notifiable interest or a short position in the issued share capital of the Company as at 30<sup>th</sup> June, 2005.

## CORPORATE GOVERNANCE

The Rules Governing the Listing of Securities (“the Listing Rules”) on The Stock Exchange of Hong Kong Limited (“The Stock Exchange”) require the Board to disclose the deviations from the Code Provisions set out in the Code on Corporate Governance Practices (“the CGP Code”) contained in Appendix 14 throughout the accounting period covered by the interim report. Save for the limited exceptions outlined below, the Company has complied throughout the accounting period ended 30<sup>th</sup> June, 2005 with the CGP Code.

The deviations from the CGP Code were as follows:

- A4.1 Certain non-executive directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election at the Company’s annual general meetings in accordance with the Company’s Article of Association. The Company proposes to enter into the service contracts with all non-executive directors, which will contain a specific term of appointment, before the year end.
- B1.4 The Company is still constructing a new website of the Group, on which it will include the Terms of Reference of the Remuneration Committee. The new website is expected to be completed by end of November. The Group will make available to any shareholder or interested individual a copy of such terms of reference on request.
- C3.4 The Company is still constructing a new website of the Group, on which it will include the Terms of Reference of the Audit Committee. The new website is expected to be completed by end of November. The Group will make available to any shareholder or interested individual a copy of such terms of reference on request.

In accordance with the required standard set out in the Model Code for Securities Transaction by Directors of Listed Issuers (“the Model Code”) contained in Appendix 10 of the Listing Rules, the Company has adopted codes of conduct relating to securities transactions by directors on terms no less exacting than the required standard set out in the Model Code. The Board also approved the adoption of a securities dealing policy setting out the Company’s policy and rules governing the dealings in the securities of the Company by all employees of the Company and its subsidiaries and a confidentiality policy setting out the responsibilities of all employees of the Group in dealing with the Group’s information that is considered to be confidential.

For the accounting period ended 30<sup>th</sup> June, 2005, all Directors have confirmed that they have complied with the required standard set out in the Model Code and the Company’s codes of conduct regarding Directors’ securities transactions.

*By Order of the Board*  
**LEUNG SHU WING**  
**Chairman**

Hong Kong, 21<sup>st</sup> September, 2005