

## SUBSTANTIAL SHAREHOLDERS

As at 30 September 2005, so far as known to any Director or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had, or were deemed or taken to have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or had any option in respect of such capital:

### Long position in shares of the Company

Name of shareholder	Nature of interest	Number of ordinary shares held	Percentage of shareholding
Expert Rich ( <i>Notes 1 &amp; 3</i> )	Interest of a controlled corporation	84,042,650	19.23%
Gomes Maria Da Silva Rubi Angela ( <i>Notes 2 &amp; 3</i> )	Family	84,042,650	19.23%

#### Note:

- The shares were registered in the name of Leopard Vision. The entire issued share capital of Leopard Vision was held by Byford which in turn was held by Expert Rich. Expert Rich was wholly owned by Mr. Alex Wong, a Director of the Company.
- By virtue of the aforesaid interest of Mr. Alex Wong, Ms. Gomes Maria Da Silva Rubi Angela, spouse of Mr. Alex Wong, was also deemed to be interested in the above 84,042,650 shares held by Leopard Vision.
- The above shares were the same shares as set out under paragraph above headed "Directors' and Chief Executives' Interests and Short Positions in Securities".

## **SUBSTANTIAL SHAREHOLDERS** *(Continued)*

Save as disclosed above, as at 30 September 2005, so far as is known to the Directors or chief executives of the Company, no other person (not being a Director or chief executive of the Company) had any interests or short positions in shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange, under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or held any option in respect of such capital.

## **CORPORATE GOVERNANCE**

The Company had complied throughout the Period with the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Listing Rules except with the following deviation:-

### **Code A.2.1**

This Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

The Chairman of the Board, Mr. Wong Ching Ping, Alex, provides leadership as well as supervisory role in the management to the Board. The Company does not have a chief executive officer and the day-to-day management of the Company's business operations is shared among the executive Directors. The Company will at all times ensure that there is a clear division of these responsibilities at the board level to maintain a balance of power and authority.

## **CORPORATE GOVERNANCE** *(Continued)*

### **Code A.4.1**

This Code stipulates that non-executive Directors should be appointed for a specific term, subject to re-election.

None of the existing non-executive Directors of the Company is appointed for a specific term. However, in accordance with the Bye-laws of the Company, one-third of the Directors for the time being shall retire by rotation (provided that every Director shall be subject to retirement at least once every three years) and be eligible for re-election at the annual general meeting of the Company. As such, even though each non-executive Director is not appointed for a specific term, his term of office is the period up to his retirement by rotation in accordance with the Bye-laws of the Company.

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code of the Listing Rules as its own codes of conduct regarding Directors' and relevant employees' securities transactions. Having made specific enquiry to all Directors, all Directors confirmed that they have complied with the required standard of dealings as set out in the Model Code.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Period.

By Order of the Board

**Wong Ching Ping, Alex**

*Chairman*

Hong Kong, 19 December 2005

*Executive Directors:*

Wong Ching Ping, Alex (*Chairman*)

Lim Direk

*Non-executive Director:*

Wan Choi Ha

*Independent Non-executive Directors:*

Chu Kar Wing

Chow King Wai

Tang Yiu Wing