

SUBSTANTIAL SHAREHOLDERS

As at 30th September 2005, so far as is known to the Directors, the following persons (other than a Director or chief executive of the Company) had interest in the share capital of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

Name	Number of Shares	Nature of interest	Percentage of shareholding
Aberdare	10,580,475 (Note 1)	Corporate interest	22.30%
ISM Asia, Inc.	(Note 2)	(Note 2)	(Note 2)
Maroc (Note 3)	3,598,498	Beneficial owner	7.59%
Rich Winner Investments Limited	3,199,500 (Note 4)	Beneficial owner	6.74%
Chan Foo Wing	3,199,500 (Note 4)	Corporate interest	6.74%
Lu Wing Yee, Wayne	2,876,000	Beneficial owner	6.06%
Yuen Tsui Ying	2,876,000	Family interest	6.06%

Notes:

1. These Shares were beneficially owned by Sum Tai Holdings Limited, which is wholly owned by Aberdare. Aberdare is wholly owned by Mr. Yip How Yin, Maurice as trustee of a discretionary trust established for the benefit of Mr. Yip Sum Yin, Madam Yu Hung Min and their family.
2. Based on the last formal notification of ISM Asia, Inc. ("ISM") pursuant to the SFO given by ISM Asia, Inc. to the Company on 5th February 2004, ISM, as beneficial owner, had interests in 2,546,500 Shares, representing about 5.37% interests in the issued share capital of the Company as at 30 September 2005. However, ISM, through an e-mail message sent to the Company in December 2005, notified the Company that it had interests in 3,819,750 Shares, representing about 8.05% interests in the issued share capital of the Company since February 2004 (after the Company's open offer).
3. Maroc is wholly owned by Mr. Yip Sum Yin as trustee of a discretionary trust established for the benefit of Mr. Yip How Yin, Maurice and his family.
4. These Shares were beneficially owned by Rich Winner Investments Limited. It is a controlled corporation of Mr. Chan Foo Wing.

Save as disclosed above, as at 30th September 2005, according to the register of interests required to be kept by the Company under section 336 of the SFO, there was no person who had any interest or short position in the shares or underlying shares of the Company.

CORPORATE GOVERNANCE

None of the directors of the Company is aware of any information which would reasonably indicate that the Company is not, or was not in compliance with the Code of Corporate Governance Practices, as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange at any time during the six months ended 30th September 2005.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the directors of the Company (the "Code"). The Company had made specific enquiry of the directors of the Company. All the directors confirmed that they had complied with the required standards as set out in the Code during the six months ended 30th September 2005.

REVIEW BY AUDIT COMMITTEE

The Audit Committee of the Company comprises Mr. Lai Wing Leung, Peter, Mr. Lam Kwok Cheong and Madam Lee Mei Ling, all of whom are independent non-executive directors of the Company. The Audit Committee has reviewed with the management of the Group the accounting principles and practices adopted by the Group, its internal controls and financial reporting matters and the interim accounts for the six months ended 30th September 2005.