

At the extraordinary general meeting of the Company held on 16 December 2005, the shareholders of the Company passed ordinary resolutions to approve early termination of the Former Share Option Scheme and adoption of a new share option scheme ("New Share Option Scheme") under which the directors may offer options to any eligible participant at their discretion. The New Share Option Scheme remains in force for a period of 10 years after 16 December 2005.

During the six months ended 31 December 2005, no option had been granted, exercised, lapsed, cancelled or outstanding under the Former Share Option Scheme or the New Share Option Scheme.

Apart from the foregoing, at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable the directors or chief executive of the Company or any of their spouses or children under eighteen years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

## **SUBSTANTIAL INTERESTS IN THE SHARE CAPITAL OF THE COMPANY**

As at 31 December 2005, the persons having an interest in 5% or more of the issued share capital of the Company as recorded in the register of interests in shares and short positions required to be kept under section 336 of the Part XV of SFO were as follows:

	<b>Number of ordinary shares interests</b>	<b>Percentage of total issued shares</b>
Tan Sim Chew	258,165,226	19.38

*Note:* All the above interests are held by Mr. Tan Sim Chew personally.

Save as disclosed herein, no other person was recorded in the register of interests and short positions maintained under section 336 of Part XV of the SFO as having an interest of in 5% or more of the issued share capital of the Company as at 31 December 2005.

## **CORPORATE GOVERNANCE**

The Company has adopted all the code provisions in the Code on Corporate Governance Practice (“the Code”) as set out in the Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange as its own code on corporate governance practice. In the opinion of the directors, the Company has met the code provisions of the Code during the six months ended 31 December 2005.

The Company has established an audit committee comprising three independent non-executive directors. Terms of reference of the audit committee have been updated in compliance with the Code. The audit committee has reviewed together with the management of the Company the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including review of the interim report for the six months ended 31 December 2005.

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules as the code of conduct regarding directors’ securities transactions. Having made specific enquiry of all directors of the Company, they all confirmed that they have complied with the Model Code throughout the six months period ended 31 December 2005.

## **PURCHASE, SALES AND REDEMPTION OF THE COMPANY’S SHARES**

During the period, neither the Company nor its subsidiaries repurchased, sold or redeemed any of the Company’s shares during the period.

By order of the Board  
**TAN Sim Chew**  
*Chairman*

Hong Kong, 22 March 2006