



REPORT OF THE DIRECTORS

The Directors submit their report together with the audited accounts for the year ended 31 December 2005.

GENERAL INFORMATION AND PRINCIPAL PLACE OF BUSINESS

Softbank Investment International (Strategic) Limited (the “Company”) is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of business at 3rd to 5th Floors, SBI Centre, 56 Des Voeux Road Central, Hong Kong.

PRINCIPAL ACTIVITIES AND SEGMENT INFORMATION

The principal activity of the Company is investment holding and the activities of its principal subsidiaries, are set out in note 35 to the accounts.

An analysis of the Group’s turnover and segment information are set out in note 4 to the accounts.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated profit and loss account on page 42.

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in note 27 to the accounts.

As at 31 December 2005, the Company had no reserves available for distribution under Section 79B of the Hong Kong Companies Ordinance (31 December 2004: Nil).

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment, and investment properties, of the Group and the Company are set out in notes 14 to 15 to the accounts.

A schedule of principal properties held for investment purposes is set out on page 134.

BORROWINGS

Particulars of the Group’s and the Company’s borrowings at the balance sheet date are set out in note 28 to the accounts.

SHARE CAPITAL

Details of the movements in share capital of the Company are shown in note 26 to the accounts.

CONVERTIBLE NOTES

Details of convertible notes issued by a subsidiary of the Company are set out in note 25 to the accounts.



REPORT OF THE DIRECTORS

DONATIONS

During the year, the Group made charitable and other donations of approximately HK\$278,000 (2004: HK\$75,000).

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is shown on pages 132 to 133.

DIRECTORS

The Directors during the year and up to the date of this report are:

Executive Directors :

YU Kam Kee, Lawrence

WONG Sin Just

WONG Kean Li

YU Chung Hang, Lucian (appointed on 1 January 2006)

WANG Ruiping (resigned on 1 January 2006)

Non-executive Director :

YU Kam Yuen, Lincoln

Independent Non-executive Directors :

LO Wing Yan, William

CHAN Kai Yu, Rudy

Raja Datuk Karib Shah BIN SHAHRUDIN

In accordance with articles 104 and 105 of the Company's Articles of Association, Mr Yu Kam Kee, Lawrence retires by rotation at the forthcoming annual general meeting and, being eligible, offers himself for re-election.

In accordance with article 110 of the Company's Articles of Association, Mr Yu Chung Hang, Lucian, who was appointed during the year, retires at the forthcoming annual general meeting and, being eligible, offers himself for re-election.

All Directors (including Non-executive and Independent Non-executive Directors) of the Company are subject to the general provisions in respect of the retirement and rotation of Directors at the annual general meeting pursuant to the Company's Articles of Association.

The Company has received an annual independence confirmation from each Independent Non-executive Director and considers them to be independent.



REPORT OF THE DIRECTORS

BIOGRAPHICAL DETAILS OF DIRECTORS

Brief biographical details of Directors are set out on pages 12 to 14.

DIRECTORS' EMOLUMENTS

Details of Directors' emoluments in respect of the year are shown in note 9 to the accounts.

DIRECTORS' INTERESTS IN SERVICE CONTRACT

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

DIRECTORS' INTERESTS IN SHARES AND OPTIONS

At 31 December 2005, the following Directors of the Company were interested in the shares and underlying shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register kept under section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies:

(A) Interests in the Company

(1) Shares

Name of Director	Number of ordinary shares of HK\$0.10 each			Approximate percentage of issued shares
	Personal interest	Corporate interest	Total	
Yu Kam Kee, Lawrence	162,918,026	4,882,965*	167,800,991	3.89%
Yu Kam Yuen, Lincoln	12,083,885	—	12,083,885	0.28%
Wong Sin Just	3,002,000	—	3,002,000	0.07%
Wang Ruiping (ex-Director)	1,000,000	—	1,000,000	0.02%

* Mr Yu Kam Kee, Lawrence has a shareholding of 60% in Henway Enterprises Limited, the beneficial owner of 4,882,965 shares of the Company.

(2) Share options

Details of the share options granted to the Directors by the Company and outstanding as at 31 December 2005 are set out under the section "Options granted under the share option scheme" below.



REPORT OF THE DIRECTORS

DIRECTORS' INTERESTS IN SHARES AND OPTIONS (continued)

(B) Interests in the shares in associated corporations

Name of associated corporation	Name of Director	Number of ordinary shares		Approximate percentage of issued shares
		Personal interest	Corporate interest	
Draco Investments Limited (Note 1)	Yu Kam Kee, Lawrence	—	38	38%
Eastern Capital Inc. (Note 2)	Yu Kam Kee, Lawrence	—	13,332	33.33%
SBI E2-Capital Limited (Note 3)	Wong Sin Just	6	—	2%

Notes:

- (1) Mr Yu Kam Kee, Lawrence holds 100% equity interest in Brightplus Group Limited which in turn holds 38 shares of US\$1.00 each in the capital of Draco Investments Limited (representing 38% of its issued shares), a company incorporated in the British Virgin Islands in which the Company has a 25.5% indirect interest.
- (2) Mr Yu Kam Kee, Lawrence holds 100% equity interest in Brightplus Group Limited which in turn holds 13,332 shares of US\$1.00 each in the capital of Eastern Capital Inc. (representing 33.33% of its issued shares), a company incorporated in the British Virgin Islands in which the Company has a 50.0038% indirect interest.
- (3) Dato' Wong Sin Just holds 6 shares of HK\$1.00 each in the capital of SBI E2-Capital Limited (representing 2% of its issued shares), a company incorporated in the Cayman Islands in which the Company has a 49% indirect interest.

Save as disclosed above, none of the Directors or chief executives of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.



REPORT OF THE DIRECTORS

SHARE OPTION SCHEME

On 30 October 2001, at the annual general meeting, the Company adopted a share option scheme (the "Scheme") under which the board of directors may, at its discretion, offer to any participant an option to subscribe for shares in the Company in accordance with the terms and conditions of the Scheme. A summary of the Scheme is as follows:

(1) Purposes

The purposes of the Scheme are, inter alia, to attract and retain best available personnel and to provide additional incentive to the participants.

(2) Participants

The participants include any full time and part time employee, director, consultant or advisor of the Company, any of its subsidiaries or any associated company of the Company.

(3) Maximum number of shares available for subscription

The maximum number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes of the Company shall not exceed 30% of the issued share capital of the Company from time to time.

(4) Maximum entitlement of each participant

Unless approved by the shareholders of the Company at a general meeting, the total number of shares issued and to be issued upon the exercise of options granted to each participant (including both exercised and outstanding options) in any 12 months period shall not exceed 1% of the issued share capital of the Company.

(5) Maximum period for exercising an option

An option may be exercised in accordance with the terms of the Scheme at any time during a period to be notified by the board to each grantee, such period of time not exceeding 10 years from the date of grant of the option.



REPORT OF THE DIRECTORS

SHARE OPTION SCHEME (continued)

(6) Basis of determining the exercise price

The exercise price per share shall be determined by the board and shall be at least the higher of:

- (i) the closing price of the shares on the Stock Exchange as stated in the Stock Exchange's daily quotation sheets on the date on which the option is offered, which must be a business day;
- (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date as mentioned in (i) above; and
- (iii) the nominal value of the shares.

(7) Life of the Scheme

The Scheme shall remain in force for a period of 10 years commencing on 30 October 2001 up to 29 October 2011.



REPORT OF THE DIRECTORS

OPTIONS GRANTED UNDER THE SHARE OPTION SCHEME

Details of the movements in share options granted under the Scheme during the year were as follows:

Grantee	Date of grant	Exercisable period	Exercise price per share HK\$	Number of share options				
				At 1 January 2005	Granted during the year	Exercised during the year	Lapsed during the year	At 31 December 2005
Directors								
Yu Kam Kee, Lawrence	21-02-2002	21-02-2002 to 20-02-2012	0.28	24,402,000	—	—	—	24,402,000
	03-11-2003	03-11-2003 to 02-11-2013	0.10	35,000,000	—	—	—	35,000,000
	24-05-2004	24-05-2004 to 23-05-2014	0.10	1,632,000	—	—	—	1,632,000
Wong Sin Just	21-02-2002	21-02-2002 to 20-02-2012	0.28	24,402,000	—	—	—	24,402,000
	03-11-2003	03-11-2003 to 02-11-2013	0.10	35,000,000	—	—	—	35,000,000
	24-05-2004	24-05-2004 to 23-05-2014	0.10	1,632,000	—	—	—	1,632,000
Wong Kean Li	21-02-2002	21-02-2002 to 20-02-2012	0.28	6,000,000	—	—	—	6,000,000
	03-11-2003	03-11-2003 to 02-11-2013	0.10	35,000,000	—	—	—	35,000,000
	24-05-2004	24-05-2004 to 23-05-2014	0.10	1,632,000	—	—	—	1,632,000
Yu Kam Yuen, Lincoln	03-11-2003	03-11-2003 to 02-11-2013	0.10	20,000,000	—	—	—	20,000,000
	24-05-2004	24-05-2004 to 23-05-2014	0.10	15,000,000	—	—	—	15,000,000
Lo Wing Yan, William	03-11-2003	03-11-2003 to 02-11-2013	0.10	3,632,000	—	—	—	3,632,000
Chan Kai Yu, Rudy	03-11-2003	03-11-2003 to 02-11-2013	0.10	3,632,000	—	—	—	3,632,000
Wang Ruiping (ex-Director)	21-02-2002	21-02-2002 to 20-02-2012	0.28	15,000,000	—	—	—	15,000,000
	03-11-2003	03-11-2003 to 02-11-2013	0.10	35,000,000	—	—	—	35,000,000
	24-05-2004	24-05-2004 to 23-05-2014	0.10	1,632,000	—	—	—	1,632,000
Employees	21-02-2002	21-02-2002 to 20-02-2012	0.28	11,800,000	—	—	—	11,800,000
	03-11-2003	03-11-2003 to 02-11-2013	0.10	25,248,000	—	(500,000) ³	(376,000)	24,372,000
	24-05-2004	24-05-2004 to 23-05-2014	0.10	72,800,000	—	—	(4,000,000)	68,800,000
	29-03-2005	29-03-2005 to 28-03-2015	0.10	—	10,000,000 ²	—	—	10,000,000
Consultants	21-02-2002	21-02-2002 to 20-02-2012	0.28	2,000,000	—	—	—	2,000,000
	03-11-2003	03-11-2003 to 02-11-2013	0.10	28,750,000	—	(1,000,000) ³	—	27,750,000
	26-01-2004	26-01-2004 to 25-01-2014	0.12	5,000,000	—	—	—	5,000,000
	24-05-2004	24-05-2004 to 23-05-2014	0.10	240,000,000	—	—	—	240,000,000
	29-03-2005	29-03-2005 to 28-03-2015	0.10	—	14,000,000 ²	—	—	14,000,000



REPORT OF THE DIRECTORS

OPTIONS GRANTED UNDER THE SHARE OPTION SCHEME (continued)

Notes:

- (1) No share option was cancelled during the year under review.
- (2) At the date immediately before these options were granted, the closing price per share was HK\$0.083.
- (3) The weighted average closing price of the shares immediately before the respective exercise date of the options was HK\$0.082.
- (4) Options granted to Directors are immediately vested on the date of grant or on a later date in which the grantee became a Director of the Company (as the case may be).
- (5) Options granted to employees are vested as follows:

Date of grant	Vesting date	No. of share options vested
21-02-2002	21-02-2002	375,000
	01-11-2002	375,000
	21-02-2003	2,575,000
	01-11-2003	750,000
	21-02-2004	2,575,000
	21-02-2005	5,150,000
03-11-2003	03-11-2003	5,223,000
	03-11-2004	6,675,000
	03-11-2005	13,350,000
24-05-2004	24-05-2004	18,200,000
	26-01-2005	17,450,000
	24-05-2005	750,000
	26-01-2006	34,900,000
	24-05-2006	1,500,000
29-03-2005	29-03-2005	2,500,000
	29-03-2006	2,500,000
	29-03-2007	5,000,000



REPORT OF THE DIRECTORS

OPTIONS GRANTED UNDER THE SHARE OPTION SCHEME (continued)

(6) Options granted to consultants are vested as follows :

Date of grant	Vesting date	No. of share options vested
21-02-2002	03-08-2002	2,000,000
03-11-2003	03-11-2003	6,250,000
	03-11-2004	7,500,000
	03-11-2005	15,000,000
26-01-2004	26-01-2004	5,000,000
24-05-2004	24-05-2004	210,000,000
	26-03-2005	10,000,000
	26-03-2006	20,000,000
29-03-2005	29-03-2005	11,000,000
	29-03-2006	1,000,000
	29-03-2007	2,000,000

(7) In assessing the fair value of the share options granted during the year, the Black-Scholes option pricing model (the "Black-Scholes Model") has been used. The Black-Scholes Model is one of the generally accepted methodologies used to calculate the fair value of options and is one of the recommended option pricing models set out in Chapter 17 of The Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The variables of the Black-Scholes Model include expected life of the options, risk-free interest rate, expected volatility and expected dividend rate (if any) of the Company's shares.

The variables of the Black-Scholes Model used in assessing the fair value of the share options granted during the year and the estimated fair values are listed as follows:

Grantee	Date of grant	Expected life	Risk-free rate	Expected volatility	Expected dividend yield	Estimated fair value per option HK\$
Employees	29-03-2005	5 years	4.01%	66.96%	0%	0.0448
Consultants	29-03-2005	5 years	4.01%	66.96%	0%	0.0448

- (a) The expected life is measured from the date of grant (the "Measurement Date").
- (b) The risk-free rate applied to the Black-Scholes Model represents the yield of the Hong Kong Exchange Fund Notes at the Measurement Date corresponding to the expected life of the options as at the Measurement Date.
- (c) The expected volatility used in the calculation is based on the standard deviation of the returns of the daily closing prices of the Company's shares for the last twelve months from the Measurement Date.
- (d) Based on historic pattern, it is assumed that no dividend would be paid out during the expected life of the options.



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OPTIONS GRANTED UNDER THE SHARE OPTION SCHEME (continued)

Using the Black-Scholes Model in assessing the fair value of share options granted during the year, the options would have an aggregate estimated fair value of approximately HK\$1,075,200, calculated as follows:

Grantee	Date of grant	Number of share options granted during the year	Estimated fair value of options granted during the year HK\$
Employees	29-03-2005	10,000,000	448,000
Consultants	29-03-2005	14,000,000	627,200
		Total	<u>1,075,200</u>

In assessing the aggregate estimated fair value of the share options, no adjustment has been made for possible future forfeiture of the options. In prior years, no amounts were recognised when grantees were granted share options to acquire shares of the Company. If the grantees chose to exercise the options, the nominal amount of share capital and share premium were credited only to the extent of the option's exercise price receivable.

With effect from 1 January 2005, in order to comply with HKFRS 2, the Company recognises the fair value of such share options as an expense in the profit and loss account. A corresponding increase is recognised in the share option reserve under equity. Where the grantees are required to meet vesting conditions before they become entitled to the share options, the Group recognises the fair value of the share options granted as an expense over the vesting period.

If a grantee chooses to exercise options, the respective amount in the share option reserve is transferred to share capital and share premium, together with the exercise price. If the options lapse unexercised, the related share option reserve is transferred directly to retained earnings to reflect that the share options are no longer outstanding.

The new accounting policy has been applied retrospectively with comparatives restated in accordance with HKFRS 2, except that the Company has taken advantage of the transitional provisions set out in paragraph 53 of HKFRS 2 under which the new recognition and measurement policies have not been applied to the following grants of options:

- (i) all options granted to grantees on or before 7 November 2002; and
- (ii) all options granted to grantees after 7 November 2002 but which had vested before 1 January 2005.

It should be noted that the value of options calculated using the Black-Scholes Model is based on various assumptions and is only an estimate of the fair value of share options granted during the year. It is possible that the financial benefit accruing to the grantee of an option will be considerably different from the value estimated using the Black-Scholes Model at the Measurement Date.



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SUBSTANTIAL SHAREHOLDER

As at 31 December 2005, the following person had an interest in the shares and underlying shares of the Company as recorded in the register kept under section 336 of the SFO being 5% or more of the issued shares of the Company:

Name of substantial shareholder	Interest in shares	Interest in shares underlying equity derivatives	Approximate percentage of issued shares
E2-Capital (Holdings) Limited (Note 1)	202,600,000	185,454,545 (Note 2)	9%

Notes:

- (1) Dato' Wong Sin Just, an Executive Director of the Company, is also an executive director of E2-Capital (Holdings) Limited ("E2-Capital").
- (2) This refers to the interest in the underlying shares derived from full conversion of the 5% guaranteed convertible notes in a total principal amount of HK\$19 million issued by SIIS Treasury Limited, a wholly-owned subsidiary of the Company.

Save as disclosed above, no person (other than the Directors of the Company as disclosed above) had any interest or short position in any shares or underlying shares of the Company as recorded in the register kept under section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.



REPORT OF THE DIRECTORS

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2005:

(A) The percentage of the aggregate amount of purchases attributable to the Group's major suppliers are as follows:

— the largest supplier	17%
— five largest suppliers combined	55%

(B) The percentage of the aggregate amount of sales attributable to the Group's major customers are as follows:

— the largest customer	12%
— five largest customers combined	31%

None of the Directors, their associates or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had an interest in the major customers or suppliers noted above.

CONNECTED TRANSACTIONS

Pursuant to a tenancy agreement previously entered on 29 August 2002, the Company has leased from Fung Choi Properties Limited ("Fung Choi") a premises as its headquarter office for a term of three years commencing from 1 January 2003 to 31 December 2005 at a monthly rental of HK\$156,255, which was confirmed by an independent property valuer as fair and reasonable when the agreement was entered into. During the year, rental expense of HK\$1,668,000 was charged to the consolidated profit and loss account.

Subsequently, on 12 December 2005, the Company entered into a tenancy agreement with Fung Choi in relation to the renewal of the said tenancy (except for the 2nd Floor of SBI Centre) for a further term of three years commencing from 1 January 2006 to 31 December 2008 at a monthly rental of HK\$132,804, which was confirmed by an independent property valuer as fair and reasonable when the agreement was entered into.

Fung Choi is beneficially owned as to 60.4% by Mr Yu Kam Kee, Lawrence, an Executive Director of the Company, while the remaining 39.6% shareholdings are beneficially owned equally by his two brothers, one of them is also a Non-executive Director of the Company, Mr Yu Kam Yuen, Lincoln. Therefore, both transactions are related party transactions. The former transaction constituted a connected transaction under Chapter 14 of the Listing Rules in force prior to 31 March 2004. The latter transaction also constituted a continuing connected transaction under Chapter 14A of the Listing Rules. Details of the latter transaction have been disclosed in an announcement issued by the Company on 9 November 2005.

Saved as disclosed above, no contracts of significance in relation to the businesses of the Company and its subsidiaries to which the Company or its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.



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DISCLOSURE UNDER RULE 13.22 OF CHAPTER 13 OF THE LISTING RULES

At 31 December 2005, the Group has provided a counter-indemnity to E2-Capital for a maximum limit of HK\$49,040,000 for the banking facilities of certain affiliated companies namely, SBI E2-Capital Securities Limited, SBI E2-Capital Brokerage Limited and SBI E2-Capital Commodities Limited (note 31 to the accounts). In accordance with rule 13.22 of the Listing Rules, a combined balance sheet of these companies and the Group's attributable interest in these companies are presented below:

As at 31 December 2005

	Combined balance sheet HK\$'000	Group's attributable interest HK\$'000
Non-current assets	49,208	24,112
Current assets	144,409	70,760
Current liabilities	(84,632)	(41,470)
	108,985	53,402
Share capital and reserves	108,985	53,402

At 31 December 2005, the Group has provided a counter-indemnity to E2-Capital for SBI E2-Capital Asia Securities Pte Ltd ("SBSA Securities")(note 31 to the accounts), an affiliated company as defined in the Listing Rules. In accordance with rule 13.22 of the Listing Rules, the combined balance sheet of SBSA Securities as at 31 December 2005 and the Group's attributable interest therein are set out as follows:

	Combined balance sheet HK\$'000	Group's attributable interest HK\$'000
Non-current assets	4,295	1,263
Current assets	25,771	7,577
Current liabilities	(5,904)	(1,736)
	24,162	7,104
Share capital and reserves	24,162	7,104



REPORT OF THE DIRECTORS

DIRECTORS' INTEREST IN COMPETING BUSINESS

During the year and up to the date of this report, the following Directors (not including Independent Non-executive Directors) of the Company have interests in the businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group as required to be disclosed pursuant to rule 8.10(2) of the Listing Rules:

Name of Director	Name of company	Nature of competing business	Nature of interest
Yu Kam Kee, Lawrence	深圳銀河通信息技術有限公司	Provision of telecommunication and system integration service in the PRC	see note below
Yu Kam Yuen, Lincoln	深圳銀河通信息技術有限公司	Provision of telecommunication and system integration service in the PRC	see note below
Wong Sin Just	e2-Capital Venture Ltd	Venture capital	director and indirect interest in shares
	Softbank Asia Net-Trans Fund Ltd	Venture capital	director
Wong Kean Li	Softbank Asia	Venture capital	director
	Net-Trans Fund Ltd		
Yu Chung Hang, Lucian (new Director appointed on 1 January 2006)	Softbank Asia Net-Trans Fund Ltd	Venture capital	director
Wang Ruiping (ex-Director)	Softbank Asia Net-Trans Fund Ltd	Venture capital	director

Note: Mr Yu Kam Kee, Lawrence is also a director of See Corporation Limited ("See Corporation", formerly known as Ruili Holdings Limited) and is indirectly interested in approximately 3.52% of 深圳銀河通信息技術有限公司 via his interest in the issued share capital of See Corporation. Mr Yu Kam Yuen, Lincoln is also a director of See Corporation.

Although the companies listed above operate in similar fields as certain divisions of the Company, the board believes that the Directors concerned are able to manage any potential conflicts of interests arising from their respective directorships and/or interest in such companies. In addition, the board believes that the key strategic and business policies of such companies are different to those of the Group.



REPORT OF THE DIRECTORS

CORPORATE GOVERNANCE

The Company is committed to achieving and maintaining a high standard of corporate governance. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 30 to 39.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including a review of the annual accounts for the year ended 31 December 2005.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

AUDITORS

The accounts have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

By Order of the Board

YU KAM KEE, LAWRENCE BBS, MBE, JP

Chairman

HONG KONG, 30 March 2006