

The weighted average value per option granted during the period ended 30 June 2006 by the Company was approximately HK\$0.36 that are estimated at the date of grant of 29 June 2006 based on Black-Scholes option pricing model using the following assumptions:

Closing price per share at the option grant date	HK\$1.57
Exercise price per share	HK\$1.57
Risk-free interest rate per annum based on Federal Funds Rate	5.25%
Expected stock price volatility	49.656%
Expected option life	1 year

The Black-Scholes option pricing model was developed for use in estimating the fair value of traded options that have no vesting restrictions and are fully transferable. In addition, such option pricing model requires input of highly subjective assumptions, including the expected stock price volatility. Because the share options of the Company have characteristics significantly different from those of traded options and because changes in the subjective input assumptions can materially affect the fair value estimate, the Black-Scholes option pricing model does not necessarily provide a reliable measure of the fair value of the share options of the Company.

The total expense recognized in the Group's consolidated income statement for the period ended 30 June 2006 in respect of the grant of 9,552,000 options during the period is HK\$3,436,000.

## **DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES AND RIGHTS TO ACQUIRE SHARES**

As at 30 June 2006, the Directors had the following interests and long positions in shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be 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 Issuers (the "Model Code"):

## (i) Interests in shares of the Company

Name	Type of interests	Number of shares in the Company	Percentage of total issued shares of the Company
Ng Siu Fai	Family interests	10,770,000	2.02%
	Other interests	Note	Note
Ng Kam Wah Thomas	Other interests	Note	Note
Ng Ki Hung Frankie	Other interests	Note	Note

*Note: Lorimer Limited, in its capacity as trustee of the Ng Hing Po 1991 Trust, is the legal owner of the entire issued share capital of Fairline Consultants Limited which is the legal and beneficial owner of 312,829,280 shares of the Company (representing 58.59% of the total issued shares of the Company) as at 30 June 2006. The Ng Hing Po 1991 Trust is a discretionary trust, the eligible beneficiaries of which include members of the Ng family. Both Messrs. Ng Siu Fai and Ng Kam Wah Thomas are directors of Fairline Consultants Limited.*

## (ii) Interests in share options of the Company

The interests of the Directors in the share options of the Company are stated in detail in the preceding section of Share Options Scheme.

Save as disclosed above, as at 30 June 2006, none of the Directors, chief executive or their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which is required to be recorded and kept in the register in accordance with Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable any Director or chief executive of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and neither the Directors nor chief executive of the Company or any of their spouses or children under the age of 18 had any interests in, or had been granted, any right to subscribe for the shares in or debentures of the Company or its associated corporation (within the meaning of Part XV of the SFO), or had exercised any such right during the period.