

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2006, in accordance with the register kept under Section 336 of the SFO, the following persons (other than the Directors or chief executive of the Company) had interests representing 5% or more of the issued share capital of the Company:

Name of shareholders	Number of shares in the Company	Number of share options in the Company	Percentage of total issued shares of the Company
Fairline Consultants Limited	312,829,280	–	58.59%
Wong Yee Man Gloria	323,599,280 (Note 1)	–	60.61%
	–	34,754,000 (Note 2)	6.51%

Notes:

- The interest in shares includes 10,770,000 shares of the Company in which Ms. Wong Yee Man Gloria is interested as a beneficial owner and 312,829,280 shares of the Company in which she is deemed to be interested through the interest of her spouse, Mr. Ng Siu Fai (as disclosed hereinabove).*
- Ms. Wong Yee Man Gloria is deemed to be interested in the options to subscribe for 34,754,000 shares of the Company held by her spouse, Mr. Ng Siu Fai (as disclosed hereinabove).*

Save as disclosed herein, as at 30 June 2006, the Company has not been notified of any person (other than the Directors or chief executive of the Company) who had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

CORPORATE GOVERNANCE

The Company has complied with the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 14 of the Listing Rules throughout the period ended 30 June 2006, with deviations from code provisions A.2.1, A.4.1 and A.4.2 in respect of the roles of chairman and chief executive officer, the service term and rotation of directors.

Code provision A.2.1 Under code provision A.2.1 of the Code, the roles of the chairman and the chief executive officer should be separate and should not be performed by the same individual.