

DISCLOSURE OF INTERESTS

Directors' and Chief Executives' Interests and Short Positions in the Share Capital of the Company and the Associated Corporations

The directors and chief executives of the Company who held office at 30th June 2006 had the following interests in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) at that date as recorded in the register of directors' and chief executives' interests and short positions 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 Companies (the "Model Code") under the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"):

Interests in the Company

Name of Directors	Number of Ordinary Shares of HK\$0.10 each				% of total issued shares
	Personal Interests	Family Interests	Corporate Interests	Total number of shares held	
Kenneth Ting Woo-shou	103,905,385	586,629 (i)	244,175,800 (ii)	348,667,814	52.40%
Dennis Ting Hok-shou	9,692,817	275,000 (iii)	236,969,800 (iv)	246,937,617	37.11%
Ivan Ting Tien-li	423,903	–	13,042,400	13,466,303	2.02%
Moses Cheng Mo-chi	11,000	–	–	11,000	0.00%
Liu Chee-ming	–	–	1,000,000	1,000,000	0.15%
Floyd Chan Tsoi-yin	–	–	–	–	–
Andrew Yao Cho-fai	–	–	–	–	–

Notes:

- (i) The spouse of Mr. Kenneth Ting Woo-shou is the beneficial shareholder.
- (ii) Included in the "Corporate Interests" above were 209,671,000 shares of the Company held by its substantial shareholder, H.C. Ting's Holdings Limited, in which Messrs. Dennis Ting Hok-shou and Kenneth Ting Woo-shou together have a controlling interest; and 34,504,800 shares of the Company held by its substantial shareholder, Glory Town Limited, in which Mr. Kenneth Ting Woo-shou has a controlling interest.
- (iii) The spouse of Dr. Dennis Ting Hok-shou is the beneficial shareholder.
- (iv) Included in the "Corporate Interests" above were 209,671,000 shares of the Company held by its substantial shareholder, H.C. Ting's Holdings Limited, in which Messrs. Dennis Ting Hok-shou and Kenneth Ting Woo-shou together have a controlling interest.

Interests in associated corporations

Name of associated corporation	Beneficial interests	Class of shares	Number of shares held			% of interests in associated corporation
			Personal Interests	Family Interests	Corporate Interests	
Allman Holdings Limited	Kenneth Ting Woo-shou	Ordinary shares of US\$1.00 each	–	–	920 (i)	63.89%
Pacific Squaw Creek, Inc.	Kenneth Ting Woo-shou	Ordinary shares of US\$1.00 each	–	–	1,000 (ii)	100.00%
Squaw Creek Associates, LLC	Kenneth Ting Woo-shou	Not applicable (iii)	–	–	–	62.00% (iv)
Squaw Creek Associates, LLC	Kenneth Ting Woo-shou	Not applicable (iii)	–	–	–	8.00% (v)

Notes:

- (i) These interests are held by Tyrol Investments Limited which is wholly owned by Mr. Kenneth Ting Woo-shou.
- (ii) These interests are held by Allman Holdings Limited (“Allman”), Mr. Kenneth Ting Woo-shou’s beneficial interest in Allman was disclosed in Note (i) above.
- (iii) Squaw Creek Associates, LLC (“SCA”) does not have issued share capital, percentage of interest in SCA represents interest in capital account balance.
- (iv) These interests are held by Pacific Squaw Creek, Inc. (“PSC”), Mr. Kenneth Ting Woo-shou’s beneficial interests in PSC was disclosed above.
- (v) These interests are held by Ting Corporation which is wholly owned by Mr. Kenneth Ting Woo-shou.

All the interests stated above represent long positions. As at 30th June 2006, no short positions were recorded in the register required to be kept under section 352 of the SFO.

Save as disclosed above, as at 30th June 2006, none of the directors or chief executives of the Company nor their spouses or children under 18 years of age has interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations, as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company pursuant to the Model Code.

Directors' Rights to Acquire Shares or Debentures

At no time during the period was the Company or any of its associated corporations a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Substantial Shareholder's Interests

As at 30th June 2006, save for certain directors' interests in the share capital of the Company as disclosed above, no other person was recorded in the register kept by the Company under section 336 of the SFO, as having an interest of 5% or more of the issued share capital of the Company.

PURCHASE, SALE OR REDEMPTION OF SHARES

There has been no purchase, sale or redemption of the Company's shares by the Company or any of its subsidiaries during the six months ended 30th June 2006.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Board regularly reviews and adopts corporate governance guidelines and developments. Throughout the period under review, the Group has complied with the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 to the Listing Rules except the CG Code A.4.2, that requires every director, including those appointed for a specific term, to be subject to retirement by rotation at least once every three years. Steps are being taken to amend the bye-laws of the Company with a view to ensuring full compliance with the requirements of this CG Code. One of the major steps required is to amend or repeal The Kader Holdings Company Limited Company Act 1990 of Bermuda, which is a private act pursuant to which the Company was incorporated. The Company has retained a firm of legal advisers in Bermuda to advise on and undertake this exercise.

Apart from the above-mentioned CG Code A.4.2, none of the directors of the Company is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the six months ended 30th June 2006, in compliance with the CG Code.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the key accounting policies, and discussed auditing, internal controls and financial reporting matters, including a review of the interim results for the period ended 30th June 2006.