

Long Positions in Ordinary Shares of the Company

Name	Capacity and nature of interest	Number of ordinary shares held	Percentage of the Company's shares in issue
Shenyin Wanguo Holdings (B.V.I.) Limited ("SWHBVI")	Directly beneficially owned	268,334,875*	50.56
Venture-Some Investments Limited ("VSI")	Through controlled corporation	268,334,875*	50.56
SWHKH	Through controlled corporation	268,334,875*	50.56
SWSC	Through controlled corporation	268,334,875*	50.56
	Directly beneficially owned	2,045,000*	0.38

* SWHBVI was held directly as to 50.51% by VSI. VSI was wholly owned by SWHKH. SWHKH was wholly owned by SWSC. Hence, VSI, SWHKH and SWSC were deemed to be interested in the same parcel of 268,334,875 shares held by SWHBVI under the SFO. SWSC also held directly 2,045,000 shares in the Company.

Save as disclosed above, as at 30 June 2006, no person, other than one director of the Company, whose interest is set out in the section "Directors' interests in shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Group continued to achieve high standard of corporate governance which it believes is crucial to the development of the Group and to safeguard the interests of the Company's shareholders.

The Company has complied with all the code provisions stipulated in the Code on Corporate Governance Practices contained in Appendix 14 of Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the accounting period for the six months ended 30 June 2006, except for the following deviations:-

Code Provision A4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election.