

Save as disclosed above, as at 30 June 2006, the Company had not been notified by any other persons (other than the directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

### **INFORMATION ON SHARE OPTIONS**

The directors and employees of the Company and its subsidiaries are entitled to participate in the share options scheme adopted at the annual general meeting of the Company held on 30 May 2002 (the "Scheme").

No share option has been granted or is outstanding under the Scheme since its adoption.

Nority, a subsidiary of the Company, adopted a share option scheme ("Nority Scheme") on 10 June 2003. Under the Nority Scheme, the directors of Nority may, in their absolute discretion, grant share options to the eligible participants to subscribe for shares in Nority. No option was granted or was outstanding under the Nority Scheme during the six months ended 30 June 2006.

Save as disclosed above, during the period ended 30 June 2006, none of the directors and chief executives of the Company had any interest in, or had been granted, or exercised, any rights to subscribe for shares of the Company or its associated corporations that has to be disclosed pursuant to the SFO.

### **CORPORATE GOVERNANCE**

The Company has complied with the Code on Corporate Governance Practices of the Listing Rules during the six months ended 30 June 2006 with the exceptions that the Non-executive Directors are not appointed for a specific term, that the Articles of Association of the Company does not provide that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years and that all directors appointed to fill a casual vacancy should be subject to election by shareholders at the next following annual general meeting instead of first general meeting after their appointment. In view of good corporate governance practices, all Non-executive Directors have agreed to comply with the Listing Rules and that their term of appointment will be limited accordingly. Furthermore, every director of the Company, including those appointed for a specific term, voluntarily retires from his office by rotation at least once every three years notwithstanding that he is not required to do so by the Articles of Association.

### **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code as its code of conduct regarding directors' securities transactions. In addition, the Board has established similar guidelines for relevant employees who are likely in possession of unpublished price sensitive information in relation to the Group or its securities.

All Directors have confirmed, following specific enquiry by the Company, their compliance with the required standard set out in the Model Code regarding securities transactions by directors throughout the six months ended 30 June 2006.