

Save as disclosed above, at no time during the period was the Company, its holding companies or any of its subsidiaries or associated corporation a party to any arrangements to enable the directors of the Company or their spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Note: Miss Liang Jianqin resigned as a non-executive director of the Company on 8 August 2006.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30 June 2006, so far as is known to any director and chief executive of the Company, the following persons (other than a director and chief executive of the Company) had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register kept by the Company under Section 336 of the SFO:

<u>Name of Shareholder</u>	<u>Number of ordinary shares beneficially held</u>	<u>Long/short position</u>	<u>Approximate percentage of issued share capital</u>
廣東粵港投資控股有限公司 (Guangdong Yue Gang Investment Holdings Company Limited) ("Yue Gang") (Note)	536,380,868	Long position	59.49%
GDH Limited ("GDH")	536,380,868	Long position	59.49%

Note: The attributable interest which Yue Gang has in the Company is held through its 100 per cent direct interest in GDH.

Save as disclosed above, no other person (other than a director and chief executive of the Company) known to any director and chief executive of the Company as at 30 June 2006 had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register kept by the Company under Section 336 of the SFO.

## SHARE OPTION SCHEMES

On 11 June 2004, the Company adopted a new share option scheme ("2004 Share Option Scheme") enabling the Company to attract, retain and motivate high caliber and talented participants to make contributions to the Group. On the same day, the Company also terminated its share option scheme that was adopted on 24 August 2001 ("2001 Share Option Scheme"). Options granted under the 2001 Share Option Scheme prior to 11 June 2004 remain valid until lapsed.

During the period, options were not exercised nor lapsed. On 9 March 2006 options were granted under the 2004 Share Option Scheme enabling the holders to subscribe for a total of 11,770,000 shares of the Company.

As at 30 June 2006, save as disclosed in the section of "Directors' Interests and Short Positions in Securities", the following share options were outstanding under the 2001 and 2004 Share Option Schemes. Each option gives the holder the right to subscribe for one share of par value HK\$0.5 each of the Company.