

DISCLOSURE OF ADDITIONAL INFORMATION

DIRECTORS' INTERESTS OR SHORT POSITIONS IN SHARES

As at 30 June 2006, the interests of the directors and chief executives of the Company in the shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register kept by the Company pursuant to section 352 of the SFO or 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 were as follows:

Long position

Ordinary shares of HK\$0.01 each of the Company

Name of Directors	Number of shares			Percentage of the issued share capital
	Personal interest	Corporate interest	Total	
Lam Ping Kei	–	702,000,000 (note 1)	702,000,000	48.75%
Wong Choi Fung	4,996,000	228,000,000 (note 2)	232,996,000	16.18%
	<u>4,996,000</u>	<u>930,000,000</u>	<u>934,996,000</u>	<u>64.93%</u>

Notes:

- These ordinary shares are owned by Super Giant Assets Limited ("Super Giant"), a company incorporated in the British Virgin Islands (the "BVI"). The entire issued share capital of Super Giant is beneficially owned by Mr. Lam Ping Kei.
- These ordinary shares are owned by Fastmath Assets Limited ("Fastmath"), a company incorporated in the BVI. The entire issued share capital of Fastmath is beneficially owned by Ms. Wong Choi Fung.

DISCLOSURE OF ADDITIONAL INFORMATION

DIRECTORS' INTERESTS OR SHORT POSITIONS IN SHARES (Continued)

Save as disclosed above, none of the other directors, chief executives and their associates, had any interest or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as at 30 June 2006.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Saved as disclosed under the paragraph headed "Directors' interests or short positions in shares" above, at no time during the Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2006, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain directors and chief executives, the following shareholders had notified the Company of the relevant interests in the issued share capital of the Company.

DISCLOSURE OF ADDITIONAL INFORMATION

SUBSTANTIAL SHAREHOLDERS (Continued)

Long positions

Ordinary shares of HK\$0.01 each of the Company

Name of shareholder	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
Lam Ping Kei	Beneficial owner	702,000,000	48.75%
Wong Choi Fung	Beneficial owner	232,996,000	16.18%
Webb David Michael	Beneficial owner	72,076,000	5.01%
		1,007,072,000	69.94%

Other than as disclosed above, the Company has not been notified of any other interests or short position in the issued share capital of the Company as at 30 June 2006.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities for the six months ended 30 June 2006.

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 six months ended 30 June 2006, with deviations from code provisions A.2.1 and A.4.1 of the Code in respect of the separation of roles of Chairman and CEO and term of office of non-executive directors.

Under the code provisions A.2.1 of the Code, the role of Chairman and CEO should be separated and should not be performed by the same individual.

DISCLOSURE OF ADDITIONAL INFORMATION

CORPORATE GOVERNANCE (Continued)

Mr. Lam Ping Kei is the Chairman of the Board, who also serves the function of a CEO. The Board believes that the present arrangement enables the Company to make and implement decisions promptly, and thus achieve the Company's objectives efficiently and effectively.

Code provision A.4.1 requires that non-executive directors should be appointed for a specific term and subject to re-election.

Currently, all independent non-executive directors have been appointed for a specific term of two years, except that Mr. Qiu Ji Zhi has no fixed term of office with the Company. All independent non-executive directors including Mr. Qiu Ji Zhi are subject to retirement by rotation in accordance with the Articles of Association. As such, the Company considers that sufficient measures have been taken to serve the purpose of this code provision.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors by Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules. Upon enquire by the Company, all Directors of the Company have confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 June 2006.

AUDIT COMMITTEE REVIEW

The Company has an Audit Committee which was established for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee comprises the three independent non-executive directors of the Company.

The Audit Committee has reviewed with the management the accounting principles and policies adopted by the Group and the unaudited interim financial reports for the six months ended 30 June 2006.

On behalf of the Board

Lam Ping Kei

Chairman