

Contingent Liabilities

The Group did not have any material contingent liabilities as at 30 June 2006.

Employees and Remuneration Policies

As at 30 June 2006, the Group has approximately 46 employees. Remuneration is determined by reference to their qualifications and experiences of the staff concerned and according to the prevailing industry practice. Besides salary payments, other staff benefits include contribution of mandatory provident fund, a discretionary bonus program and a share option scheme.

PROSPECTS

On 27 February 2006, the Group entered into the sale and purchase agreement (the "Formal Agreement") with the independent third parties pursuant to which the Group agreed to acquire 51% of the issued share capital of the BVI Company and a loan of RMB61,200,000 due from one of the independent third parties (the "Seller") to the BVI Company from the Seller at an aggregate cash consideration of RMB61,200,001. We are of the opinion that the Investment provides an opportunity for the Group to broaden its business scope and diversify into industrial property development with focus on port infrastructure. All the conditions of the Formal Agreement have been fulfilled after the period end and completion took place on 20 September 2006.

The Board will continue to look for investments with reasonable return by investing on quality property projects in Hong Kong or the PRC, and the Board continues to commit to achieve this objective and is optimistic of its success.

DIRECTORS' INTEREST IN SHARES

As at 30 June 2006, the interests of the Directors and Chief Executive of the Company in the equity or debt securities and underlying shares of the Company or any associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")) which (a) were required to be notified to the Company and The Stock Exchange of Hong Kong limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which the Director is taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Stock Exchange were as follows:

Interests in the Company

Name	Nature of Interest	No. of shares held	Percentage to issued share capital
Ms. Ma Xiaoling	Corporate interest (Note)	120,212,256	42.03%

Note: Ms. Ma Xiaoling is the beneficial owner of the entire issued share capital of Keenlead Holdings Limited, which owned 120,212,256 shares as at 30 June 2006

Save as disclosed above, as at 30 June 2006, none of the Directors and Chief Executive of the Company had an interest or short position in the equity or debt securities and underlying shares of the Company or any associated corporations (within the meaning of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which the Director is taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Stock Exchange.

SHARE OPTIONS

Under the terms of the share option scheme adopted by the Company, the Board may, at their discretion, grant options to the employee of the Group, including Executive Directors of the Company, to subscribe for shares in the Company.

During the period, there is no outstanding share option and no share options were granted or exercised during the period.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

So far as is known to the Directors, as at 30 June 2006, the following persons had interest or short position in the shares and 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 recorded in the register kept by the Company pursuant to Section 336 of the SFO, who is directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of the Company:

Name	<i>Notes</i>	No. of shares held	Percentage to issued share capital
Keenlead Holdings Limited	<i>1</i>	120,212,256	42.03%
Ms. Ma Xiaoling	<i>1</i>	120,212,256	42.03%
China Main Investment (H.K.) Company Limited	<i>2,3</i>	32,000,000	11.19%
Centre Mark Development Limited	<i>2,3</i>	32,000,000	11.19%
Sino Elite International Limited	<i>2,3</i>	32,000,000	11.19%
China Main Group Company Limited	<i>2,3</i>	32,000,000	11.19%
Mr. Chen Dacheng	<i>2,3</i>	32,000,000	11.19%
Shenzhen Venture Capital (BVI) Company Limited	<i>2,3</i>	32,000,000	11.19%
Mr. Mei Jian	<i>2,3</i>	32,000,000	11.19%
Mr. Zhang Minlong	<i>2,3</i>	32,000,000	11.19%

Notes:

- The entire issued share capital of Keenlead Holdings Limited is wholly and beneficially owned by Ms. Ma Xiaoling.