

OTHER INFORMATION

DISCLOSURE OF INTERESTS

(a) Director's interests and short positions in the securities of the Company and its associated corporations

As at 30th June, 2006, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) (i) which were required to be notified to the Company and the Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have taken under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register kept by the Company; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") contained in the Listing Rules, were as follows:

(1) *Long positions in the ordinary shares of the Company*

Name of Director	Capacity	No. of shares held	Percentage of total issued share capital
Mr. To Shu Fai (Note)	Interest of controlled corporation	2,023,231,329	58.14%

Note: The 2,023,231,329 shares are held by Top Synergy Associates limited ("Top Synergy"), the ultimate holding company of the Company which is owned as to 50% by Vision Harvest Limited ("VHL") and as to 50% by Ever Achieve Enterprises Limited ("EAEL"). The entire issued share capital of VHL is owned by Mr. To Shu Fai. The entire issued share capital of EAEL is owned by Mr. Chung Chiu Pui, Ms. Foo Hang Luen, Monita, Ms. Lee Yun and Mr. Yuen Kin Wing in equal shares. Mr. To Shu Fai and Mr. Tang Tsz Man, Philip, the Executive Directors, are also the directors of Top Synergy.

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(2) *Long positions in the ordinary shares of the Company's associated corporations*

Name of Director	Name of associated corporation	No. of shares held	Percentage of total issued share capital
Mr. To Shu Fai	Vision Harvest Limited	1	100%
Mr. To Shu Fai	Top Synergy Associates Limited	1	50%

(3) *Share options*

No share option was outstanding as at 1st January, 2006 and 30th June, 2006 and no share option was granted under the share option scheme during the period.

Save as disclosed above, as at 30th June, 2006, none of the Directors nor chief executives of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which 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 interests or short positions which they were taken or deemed to have taken under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register kept by the Company; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code contained in the Listing Rules.

(b) **Persons who have an interest or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO and substantial shareholders**

So far as is known to the Directors, as at 30th June, 2006, the following persons (other than the Directors or chief executives of the Company) had or were deemed to have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO or as otherwise notified to the Company and the Stock Exchange:

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Long positions in the ordinary shares of the Company

Name of Shareholder	Capacity	No. of shares held	Percentage of total issued share capital
Top Synergy Associates Limited (Note 1)	Beneficial owner	2,023,231,329	58.14%
Vision Harvest Limited (Note 1)	Interest of controlled corporation	2,023,231,329	58.14%
Ever Achieve Enterprises Limited (Note 1)	Interest of controlled corporation	2,023,231,329	58.14%
Ever Apollo Limited (Note 2)	Beneficial owner	900,000,000	25.86%
Fung Ho Sum (Note 2)	Interest of controlled corporation	900,000,000	25.86%
Wong Ka May (Note 2)	Spouse interest	900,000,000	25.86%
DKR SoundShore Oasis Holding Fund Ltd. (Note 3)	Beneficial owner	178,200,000	5.12%
DKR Oasis Management Co. LP (Note 3)	Investment manager	178,200,000	5.12%
DKR Capital Inc. (Note 3)	Interest of controlled corporation	178,200,000	5.12%
DKR Capital Partners LP (Note 3)	Interest of controlled corporation	178,200,000	5.12%
DKR Management Co. Inc. (Note 3)	Interest of controlled corporation	178,200,000	5.12%
Oasis Management Holdings LLC (Note 3)	Interest of controlled corporation	178,200,000	5.12%

Notes:

1. The 2,023,231,329 shares are held by Top Synergy Associates Limited ("Top Synergy"), the ultimate holding company of the Company which is owned as to 50% by Vision Harvest Limited ("VHL") and as to 50% by Ever Achieve Enterprises Limited ("EAEL"). The entire issued share capital of VHL is owned by Mr. To Shu Fai. The entire issued share capital of EAEL is owned by Mr. Chung Chiu Pui, Ms. Foo Hang Luen, Monita, Ms. Lee Yun and Mr. Yuen Kin Wing in equal shares.
2. Ever Apollo Limited ("EAL") is deemed to have interest in the share capital of the Company in respect of the number of shares which may fall to be allotted and issued to it upon exercise of the conversion right attaching to the convertible bond under the SFO. Ms. Wong Ka May is the spouse of Mr. Fung Ho Sum who is the beneficial owner of EAL.
3. To the best knowledge and information of the Directors, these companies are under the same group of companies and their notification of interests under the SFO was made at the same time.

Save as disclosed above, as at 30th June, 2006, the Directors or chief executives of the Company are not aware of any other person (other than the Directors or chief executives of the Company) who had or was deemed to have any interests or short

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positions in the shares or underlying shares of the Company (including any interests in options in respect of such capital), which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO or as otherwise notified to the Company and the Stock Exchange.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

CORPORATE GOVERNANCE

Code on Corporate Governance Practices

The Board and senior management are committed to maintaining good corporate governance, consistently enhancing transparency and effective accountability in order to maximize shareholder's benefit. Detailed disclosure of the Company's corporate governance report was stated in the 2005 Annual Report.

The Company has complied with the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 to the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") throughout the six months ended 30th June, 2006, save for a few exceptions specified and explained below:

Code Provision A.4.1

Under the Code, non-executive directors should be appointed for a specific term, subject to re-election.

All Non-executive Directors have been re-elected at the annual general meeting of the Company held on 25th May, 2006 ("2006 AGM") for an initial period of one year and will continue thereafter unless and until terminated by either party given the other not less than three months' notice but is also subject to retirement by rotation and re-election under the By-laws of the Company.

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Code Provision A.4.2

Under the Code, all directors be appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment, and every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

A special resolution has been passed at the 2006 AGM to amend the Bye-laws of the Company so as to comply with Code Provision A.4.2.

The Board continues to review its practices from time to time with an aim to improve the Group's corporate governance practices so as to meet international best practice.

Model Code for Securities Transactions by Directors

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules (the "Company's Model Code"). Having made specific enquiry of all directors of the Company, all directors have confirmed that they had complied with the required standard set out in the Company's Model Code during the period under review.

To enhance the corporate governance of the Group as a whole, all relevant employees who are likely to be in possession of unpublished price sensitive information in relation to the Group or securities of the Company are subject to full compliance with the Company's Model Code. No incident of non-compliance was noted by the Company during the period under review.

Audit Committee

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited interim accounts for the six months ended 30th June, 2006 with the Directors. At the request of Audit Committee, the Group's external auditors have carried out a review of the unaudited interim accounts in accordance with the Statement of Auditing Standards 700 issued by the Hong Kong Institute of Certified Public Accountants.

The Audit Committee comprises all of the three Independent Non-executive Directors, namely Mr. Leung Chi Hung, Mr. Leung, Tsz Fung David Ferreira and Mr. Tse Yuen Ming.