

SHARE OPTION SCHEME

Under the share option scheme adopted by the Company on 28 August 2002 (the "Share Option Scheme"), options were granted to certain directors, employees and other eligible participants of the Company entitling them to subscribe for shares of HK\$0.02 each in the capital of the Company.

Details of the movement in outstanding share options, which have been granted under the Share Option Scheme, during the period are as follows:

Name or category of participant	Date of grant	Exercise price HK\$	Exercise period	Vesting period (Note 1)	Number of shares subject to options			
					As at 1 April 2006	Cancelled/ lapsed during the period	Exercised during the period (Note 4)	As at 30 September 2006
<i>Directors</i>								
Lo Lin Shing, Simon	01-03-2005	0.1695	01-03-2005 to 28-02-2012	01-03-2005 to 31-08-2005	4,961,157	-	-	4,961,157
Yvette Ong	01-03-2005	0.1695	01-03-2005 to 28-02-2012	01-03-2005 to 31-08-2005	2,395,041	-	-	2,395,041
To Hin Tsun, Gerald	01-03-2005	0.1695	01-03-2005 to 28-02-2012	01-03-2005 to 31-08-2005	1,710,744	-	-	1,710,744
Peter Pun	01-03-2005	0.1695	01-03-2005 to 28-02-2012	01-03-2005 to 31-08-2005	496,116	-	-	496,116
Wei Chi Kuan, Kenny (Note 2)	01-03-2005	0.1695	01-03-2005 to 28-02-2012	01-03-2005 to 31-08-2005	496,116	(496,116)	-	-
Lau Wai Piu	01-03-2005	0.1695	01-03-2005 to 28-02-2012	01-03-2005 to 31-08-2005	496,116	-	-	496,116
Employees (including a director of a subsidiary)	01-03-2005	0.1695	01-03-2005 to 28-02-2012	01-03-2005 to 31-08-2005	1,034,216	(2,149)	(1,020,000)	12,067
	15-02-2006	0.1636	15-02-2006 to 16-04-2009	N/A	688,900	-	(675,000)	13,900
Other eligible participants	01-03-2005	0.1695	01-03-2005 to 20-10-2006 (Note 3)	01-03-2005 to 31-08-2005	3,028,014	(2,149)	(2,290,000)	735,865
					<u>15,306,420</u>	<u>(500,414)</u>	<u>(3,985,000)</u>	<u>10,821,006</u>

Notes:

- (1) The vesting period of the outstanding share options granted under the Share Option Scheme on 1 March 2005 had been changed from "1 March 2005 to 28 February 2007" to "1 March 2005 to 31 August 2005" in accordance with the provisions of the Share Option Scheme.
- (2) Mr. Wei Chi Kuan, Kenny resigned as director of the company with effect from 8 September 2006.
- (3) Following the Company's disposal of (the "Disposal") the entire issued share capital of New World CyberBase Solutions (BVI) Limited ("NWCBS") to New World Mobile Holdings Limited on 21 October 2005, NWCBS ceased to be a subsidiary of the Company. The grantees under the NWCBS Group (i.e. the participants under this category) ceased to be the eligible persons as defined in the Share Options Scheme. On 21 October 2005, the Board had approved and permitted the participants under this category to exercise their options at any time on or before 20 October 2006 pursuant to the Board's absolute discretionary powers given under the provisions of the Share Option Scheme.
- (4) The weighted average closing price of the Company's shares immediately before the dates on which the share options were exercised during the period was HK\$0.3542.

No share options were granted during the period.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S 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 30 September 2006.

CORPORATE GOVERNANCE

The Company recognizes the value and importance to achieving high standards of corporate governance to enhance corporate performance and accountability.

The Company has applied the principles and has complied with the code provisions set out in the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") during the six months ended 30 September 2006 in all material aspects, except the deviations from the code provisions A.1.3, A.4.1 and E.1.2.