

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES

At 30 September 2006, the following interests of 5% or more in the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

	Capacity and nature of interest	Number of ordinary Shares held	Percentage of the Company's issued share capital
Win Channel Investments Limited (Note 1)	Directly beneficially owned	65,000,000	18.60%
Chim Pui Chung (Note 1)	Through a controlled corporation	65,000,000	18.60%
Pan Chien Pu	Directly beneficially owned	58,000,000	16.60%
Easy Huge Holdings Limited (Note 2)	Directly beneficially owned	48,000,000	13.73%
Ng Kin Wah (Note 2)	Through a controlled corporation	48,000,000	13.73%

Note 1: The interest was held by Win Channel Investments Limited, a company wholly owned by Mr. Chim Pui Chung.

Note 2: The interest was held by Easy Huge Holdings Limited, a company wholly owned by Mr. Ng Kin Wah.

Save as disclosed above, no person, other than the Directors, whose interests are set out in the section "Directors' interests and short positions in shares" above, had registered an interest or short position in the shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

SHARE OPTION

The details of share options under the Company's share option scheme during the period are as follows:

Name or category of participant	Number of share options			Date of grant of share options*	Exercise period of share options	Exercise price of share options	Price of Company's shares at exercise date of options**
	At 1 April 2006	Granted/ Exercised/ Lapsed/ Cancelled during the period	At 30 September 2006				
Director							
Mr. Wong Siu Keung, Joe	850,000	-	850,000	30-10-2002	30-10-02 to 29-10-12	0.20	-
Employees	92,500	-	92,500	31-10-2002	31-10-02 to 30-10-12	0.20	-
Total	<u>942,500</u>	<u>-</u>	<u>942,500</u>				

* The vesting period of the share options is from the date of the grant until the commencement of the exercise period.

** The price of the Company's shares as at the date of the exercise of the share options is the weighted average of the Stock Exchange closing prices over all of the exercises of options within the disclosure category

SHARE OPTION *(continued)*

As at 30 September 2006, the Company had 942,500 (31 March 2006: 942,500) share options outstanding under the share option scheme of the Company, which represented approximately 0.3% of the Company's shares in issue as on that date. The exercise in full of the remaining share options would, under the present capital structure of the Company, result in the issue of 942,500 additional ordinary shares of the Company and additional share capital of HK\$188,500 (31 March 2006: HK\$188,500).

DISCLOSURE UNDER RULE 13.22 OF CHAPTER 13 OF THE LISTING RULES

In relation to the financial assistance granted by the Group to certain affiliated companies, a proforma combined balance sheet of the affiliated companies as at 30 September 2005 (the "Latest Practicable Date"), to be disclosed under Rule 13.22 of Chapter 13 of the Listing Rules is set out below:

	<i>HK\$'000</i>
Non-current assets	463
Current assets	6,880
Current liabilities	(38,696)
	(31,353)
	(31,353)
Share capital	2,000
Accumulated losses	(33,353)
	(31,353)
	(31,353)

As at the Latest Practicable Date, the Group's consolidated attributable interest in these affiliated companies amounted to HK\$15,254,562 and provision for impairment of HK\$15,254,562 had been made.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiry with the Directors, all Directors confirmed that they had complied with the required standards as set out in the Model Code throughout the period.

AUDIT COMMITTEE

During the period, the audit committee of the Company (the "Audit Committee") comprises three independent non-executive Directors, namely Messrs. Yeung King Wah, Cheng Kwok Hing, Andy and Yeung Yuen Hei.

The written terms of reference which describe the authority and duties of the Audit Committee were prepared and adopted with reference to "A Guide for The Formation of An Audit Committee" published by the Hong Kong Institute of Certified Public Accountants. The principal activities of the Audit Committee include the review and supervision of the Group's financial reporting process and internal controls.

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

CORPORATE GOVERNANCE

The Company has complied with the Code of Corporate Governance Practices (the "CG Code") as set out in Appendix 14 of the Listing Rule throughout the period except for the deviation as mentioned below:

Upon the resignation of Mr Chong Chun Kwok, Piggy, the Group do not have an officer titled chief executive officer during the period. Mr Chong Sing Yuen is the Chairman of the Company and acts as chief executive officer of the Company, which is deviated from the requirement of the code provision A2. The Company appointed chief executive officer on 30 November 2006.

BOARD OF DIRECTORS

As at the date of this announcement, the executive directors of the Company are Messrs. Chong Sing Yuen, Zhao Qing Ji, Wong Siu Keung, Joe, Au Tat On, Lu Xiao Dong; and the independent non-executive directors of the Company are Messrs. Cheng Kwok Hing, Andy, Yeung Yuen Hei and Yeung King Wah.

By Order of the Board
Chong Sing Yuen
Chairman

Hong Kong, 20 December 2006