

CONTINGENT LIABILITY AND CHARGE OF GROUP ASSETS

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

As at 30 June 2006, all banking facilities of the Group were secured by corporate guarantees executed by the Company and certain subsidiaries of the Group.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

The Company had no purchase, redemption or sales of its own shares during the Period.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN EQUITY, DEBT SECURITIES OR WARRANTS

At 30 June 2006, the interests (which are all long positions) of the Directors and Chief Executives in the ordinary shares and underlying shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") (including interest which they are deemed or taken to have under such provisions of the SFO)), as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company were as follows:

Name of Director	Number of ordinary shares/underlying shares held			
	Personal interests	Corporate interests	Family interests	Percentage shareholding
Mr. Lau Jin Wei, Jim	5,400,000 <i>note (a)</i>	–	80,712,000 <i>note (b)</i>	8.45%
Mr. Choi Woon Man	860,200 <i>note (c)</i>	79,668,000 <i>note (d)</i>	–	7.90%
Mr. Li Kwong Mo, Peter	6,860,000 <i>note (e)</i>	–	–	0.67%
Ms. Wong Wai Kwan, Connie	300,050 <i>note (f)</i>	–	–	0.03%
Mr. Yip Wai Leung, Jerry	470,000 <i>note (g)</i>	–	–	0.05%
Mr. Wong Ying Yin	650,000 <i>note (h)</i>	–	–	0.06%
Mr. Bang Young Bae	500,000 <i>note (i)</i>	–	–	0.05%

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN EQUITY, DEBT SECURITIES OR WARRANTS (cont'd)

Notes:

- (a) The personal interest of Mr. Lau Jin Wei, Jim comprises of 5,400,000 ordinary shares of the Company.
- (b) There are 80,712,000 ordinary shares of the Company as shown above held by Motivated Workforce Consultants Limited ("MWC"), a company incorporated in the British Virgin Islands. The entire share capital of MWC is owned by Mr. Lau Ru Dong, the father of Mr. Lau Jin Wei, Jim.
- (c) The personal interest of Mr. Choi Woon Man comprises of 860,200 ordinary shares of the Company. Mr. Choi Woon Man resigned as Director of the Company on 30 September 2004.
- (d) There are 79,668,000 ordinary shares of the Company as shown above held by Inviting Finance Limited ("IFL"), a company incorporated in the British Virgin Islands. The entire share capital of IFL is owned by Mr. Choi Woon Man.
- (e) The personal interest of Mr. Li Kwong Mo, Peter comprises of 6,860,000 ordinary shares of the Company. Mr. Li Kwong Mo, Peter resigned as Director of the Company on 31 December 2004.
- (f) The personal interest of Ms. Wong Wai Kwan, Connie comprises of 50 ordinary shares and 300,000 underlying shares in respect of share options granted by the company to her, the details of which are stated in the above section "Share options". Ms. Wong Wai Kwan resigned as Director of the Company on 9 June 2006.
- (g) The personal interest of Mr. Yip Wai Leung, Jerry comprises of 120,000 ordinary shares and 350,000 underlying shares in respect of share options granted by the company to him, the details of which are stated in the above section "Share options". Mr. Yip Wai Leung resigned as Director of the Company on 30 September 2005.
- (h) The personal interest of Mr. Wong Ying Yin comprises of 300,000 ordinary shares and 350,000 underlying shares in respect of share options granted by the company to him, the details of which are stated in the above section "Share options".
- (i) The personal interest of Mr. Bang Young Bae comprises of 200,000 ordinary shares and 300,000 underlying shares in respect of share options granted by the company to him, the details of which are stated in the above section "Share options". Mr. Bang Young Bae was appointed as Director of the Company on 9 June 2006.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN EQUITY, DEBT SECURITIES OR WARRANTS (cont'd)

Name of Director	Number of 2007 Warrants granted		
	Personal interests	Corporate interests	Family interests
Mr. Lau Jin Wei, Jim	540,000 <i>note (a)</i>	–	6,020,000 <i>note (b)</i>
Mr. Choi Woon Man	46,920 <i>note (c)</i>	7,200,000 <i>note (d)</i>	–
Ms. Wong Wai Kwan, Connie	25,000 <i>note (e)</i>	–	–

Name of Director	Number of 2008 Warrants granted		
	Personal interests	Corporate interests	Family interests
Mr. Lau Jin Wei, Jim	540,000 <i>note (a)</i>	–	6,020,000 <i>note (b)</i>
Mr. Choi Woon Man	46,920 <i>note (c)</i>	7,200,000 <i>note (d)</i>	–
Ms. Wong Wai Kwan, Connie	25,000 <i>note (e)</i>	–	–

Each of the 2007 Warrant entitles the holder thereof to subscribe for one ordinary share at subscription price of HK\$0.9654 per share, payable in cash and subject to adjustment, at any time during the period from 8 July 2005 to 7 July 2007 (both dates inclusive). Each of the 2008 Warrant entitles the holder thereof to subscribe for one ordinary share at subscription price of HK\$1.3 per share, payable in cash and subject to adjustment, at any time during the period from 8 July 2005 to 7 July 2008 (both dates inclusive). Any shares falling to be issued upon the exercise of the subscription rights attaching to the 2007 Warrants and 2008 Warrants rank pari passu in all respects with the existing fully- paid ordinary shares in issue on the relevant subscription date.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN EQUITY, DEBT SECURITIES OR WARRANTS (cont'd)

Notes:

- (a) The personal interest of Mr. Lau Jin Wei, Jim comprises of 540,000 2007 Warrants and 540,000 2008 Warrants of the Company.
- (b) There are 6,020,000 2007 Warrants and 6,020,000 2008 Warrants of the Company held by MWC, a company incorporated in the British Virgin Islands. The entire share capital of MWC is owned by Mr. Lau Ru Dong, the father of Mr. Lau Jin Wei, Jim.
- (c) The personal interest of Mr. Choi Woon Man comprises of 46,920 2007 Warrants and 46,920 2008 Warrants of the Company. Mr. Choi Woon Man resigned as Director of the Company on 30 September 2004.
- (d) There are 7,200,000 2007 Warrants and 7,200,000 2008 Warrants of the Company held by IFL, a company incorporated in the British Virgin Islands. The entire share capital of IFL is owned by Mr. Choi Woon Man.
- (e) The personal interest of Ms. Wong Wai Kwan, Connie comprises of 25,000 2007 Warrants and 25,000 2008 Warrants of the Company.

Save as disclosed above, no directors, chief executives or their associates had any interest or short position in the shares or underlying shares or warrants of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.