

If completed, the Subscription Agreement the Company has entered into on 27 January 2006 will provide immediate funding HK\$3,000,000 to the Company as general working capital for future investment or development of the principal businesses of the Group. And upon completion of the Share Purchase Agreement, Taco will provide HK\$18,750,000 shareholder's loan to the Company as general working capital and future business development.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2006, the Group had net current assets of approximately HK\$33,327,000 (31 March 2006: approximately HK\$32,939,000). As at 30 September 2006, the Group had cash and bank deposits of approximately HK\$5,502,000 (31 March 2006: approximately HK\$4,606,000). The Group did not raise any bank borrowing during the Period and its gearing ratio was nil as at 30 September 2006 (31 March 2006: Nil), based on the interest-bearing debts to total assets.

For the six months ended 30 September 2006, the Group was not subject to any significant exposure to foreign exchange rates risk. Hence, no financial instrument for hedging was employed. As at 30 September 2006, the Group was free from any mortgage charge on the Group's assets.

EMPLOYEES

As at 30 September 2006, the Group had 120 employees. The employees are remunerated based on their work performance, work and professional experiences and the prevailing industry practice. The Group operates a Mandatory Provident Fund Scheme (the "Scheme") under the Mandatory Provident Fund Scheme Ordinance for those employees who are eligible to participate in the Scheme.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 30 September 2006, none of the directors had registered an interest or short position in the share capital, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.