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CASH Financial Services Group Limited
(incorporated in Bermuda with limited liability)
(Stock code: 8122)

**THIRD QUARTER RESULTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2006**

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (“STOCK EXCHANGE”)

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

This announcement, for which the Directors of CASH Financial Services Group Limited (“Company” or “CFSG”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (“GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief,; (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the Latest Company Announcements’ page of the GEM website for at least 7 days from its date of publication and on the website of the Company at www.cfsg.com.hk.

Summary

- Favourable top line and bottom line
- Sustained profitability and maintained respectable growth despite fierce competition
- Recorded a net profit attributable to shareholders of HK\$33.1 million, reaffirming our strategy for product diversification

RESULTS

The unaudited consolidated results of the Company and its subsidiaries (“Group”) for the three months and the nine months ended 30 September 2006 together with the comparative figures for the last corresponding periods are as follows:

	Notes	Unaudited three months ended 30 September		Unaudited nine months ended 30 September	
		2006 HK\$'000	2005 HK\$'000	2006 HK\$'000	2005 HK\$'000
Revenue	(3)	84,237	57,429	263,159	155,357
Other operating income		2,589	1,077	3,177	1,807
Write back of bad and doubtful debts		255	-	-	-
Salaries, commission and related benefits		(33,446)	(30,568)	(114,597)	(80,836)
Other operational and administrative expenses		(28,202)	(12,851)	(76,538)	(40,440)
Depreciation and amortisation		(3,557)	(1,434)	(10,735)	(8,576)
Finance costs		(9,020)	(2,632)	(31,856)	(7,224)
Net increase (decrease) in fair value of listed investments held for trading		2,255	(7,022)	6,784	(4,119)
Profit before taxation		15,111	3,999	39,394	15,969
Taxation charge	(4)	(1,201)	(300)	(5,291)	(450)
Profit for the period		13,910	3,699	34,103	15,519
Attributable to:					
Equity holders of the Company		13,150	3,196	33,054	14,404
Minority interests		760	503	1,049	1,115
		13,910	3,699	34,103	15,519
Dividend	(5)	41,432	-	41,432	-
Earnings per share	(6)				
- Basic		1.0 cent	0.4 cent	2.4 cents	1.9 cents
- Diluted		1.0 cent	0.4 cent	2.4 cents	N/A

Notes:

(1) Basis of preparation

The unaudited consolidated results of the Group have been prepared in accordance with the applicable disclosure requirements of the GEM Listing Rules and all the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants.

The unaudited consolidated results for the nine months ended 30 September 2006 have not been audited by the Company's auditors, but have been reviewed by the Company's audit committee.

(2) Significant accounting policies

The accounting policies and methods of computation used in the preparation of these accounts are consistent with those used in the annual accounts for the year ended 31 December 2005 except that certain accounting policies have been newly adopted or updated because they become applicable to the current operations of the Group including:

Revenue recognition

Revenues arising from the online game services are recognised on the following basis:

- Online game services income is recognised when the playing units purchased by customers are used in playing the online game. Payments received from the sales of prepaid playing units that have not been used, are recorded as deferred revenues.

Intangible assets

On initial recognition, intangible assets acquired separately or from acquisition of subsidiaries are recognised at cost and at fair value respectively. After initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. Intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

Intangible assets with indefinite useful lives are tested for impairment annually by comparing their carrying amounts with their recoverable amounts, irrespective of whether there is any indication that they may be impaired. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

Intangible assets with finite useful lives are tested for impairment when there is an indication that an asset may be impaired.

On the other hand, the Group has not early applied the following new Hong Kong Financial Reporting Standards (“HKFRSs”) and HKFRSs interpretations that have been issued but are not yet effective. The Directors of the Company anticipate that the application of these new HKFRSs and HKFRSs interpretations will have no material impact on the financial position of the Group.

HKAS 1 (Amendment)	Capital disclosure ¹
HKAS 19 (Amendment)	Actuarial gains and losses, group plans and disclosures ²
HKAS 21 (Amendment)	Net investment in a foreign operation ²
HKAS 39 (Amendment)	Cash flow hedge accounting of forecast intragroup transactions ²
HKAS 39 (Amendment)	The fair value option ²
HKAS 39 & HKFRS 4 (Amendments)	Financial guarantee contracts ²
HKFRS 6	Exploration for and evaluation of mineral resources ²
HKFRS 7	Financial instruments: Disclosures ¹
HK(IFRIC) – INT 4	Determining whether an arrangement contains a lease ²
HK(IFRIC) – INT 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds ²
HK(IFRIC) – INT 6	Liabilities arising from participating in a specific market-waste electrical and electronic equipment ³
HK(IFRIC) – INT 7	Applying the restatement approach under HKAS 29 “Financial Reporting in Hyperinflationary Economies” ⁴
HK(IFRIC) – INT 8	Scope of HKFRS 2 ⁵
HK(IFRIC) – INT 9	Reassessment of embedded derivatives ⁶

¹ Effective for annual periods beginning on or after 1 January 2007.

² Effective for annual periods beginning on or after 1 January 2006.

³ Effective for annual periods beginning on or after 1 December 2005.

⁴ Effective for annual periods beginning on or after 1 March 2006.

⁵ Effective for annual periods beginning on or after 1 May 2006.

⁶ Effective for annual periods beginning on or after 1 June 2006.

(3) Revenue

	Unaudited three months ended 30 September		Unaudited nine months ended 30 September	
	2006 HK\$'000	2005 HK\$'000	2006 HK\$'000	2005 HK\$'000
Fees and commission income	55,808	50,627	189,072	136,462
Interest income	16,699	6,802	56,628	18,895
Online game services income	11,730	-	17,459	-
	84,237	57,429	263,159	155,357

(4) Taxation charge

	Unaudited three months ended 30 September		Unaudited nine months ended 30 September	
	2006 HK\$'000	2005 HK\$'000	2006 HK\$'000	2005 HK\$'000
Current period:				
Hong Kong Profits Tax	1,201	300	2,791	450
Deferred taxation	-	-	2,500	-
	1,201	300	5,291	450

Hong Kong Profits Tax is calculated at 17.5% on the estimated assessable profits for both periods.

No provision for the PRC income tax has been made as the Group did not have any assessable profits during the period.

Part of the deferred tax asset of HK\$2,500,000 has been utilised in current period due to assessable profit was expected to be earned by certain subsidiaries. No other deferred tax asset has been recognised in the financial statements due to the unpredictability of future taxable profit streams.

(5) Dividend

	Unaudited nine months ended 30 September	
	2006 HK\$'000	2005 HK\$'000
Interim dividend of HK\$0.03 per ordinary share based on 1,381,051,448 ordinary shares (2005: Nil)	41,432	-

(6) Earnings per share

The calculation of basic and diluted earnings per share for the three months and the nine months ended 30 September 2006 together with the comparative figures for the prior periods is based on the following data:

	Unaudited three months ended 30 September		Unaudited nine months ended 30 September	
	2006	2005	2006	2005
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Profit				
Profit for the purpose of basic and diluted earnings per share	13,150	3,196	33,054	14,404
Number of shares				
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,381,051,448	778,307,807	1,368,142,107	762,560,569
Effect of dilutive potential ordinary shares assumed exercise of share options	5,542,404	8,465,387	3,130,352	N/A
Weighted average number of ordinary shares for the purpose of diluted earnings per share	1,386,593,852	786,773,194	1,371,272,459	762,560,569

The effect on the profit in relation to the interest on convertible loan note is no longer exist as there was no outstanding convertible loan note as at 30 September 2006.

No computation of diluted earnings per share for nine months ended 30 September 2005 because it does not assume the exercise of the Company's outstanding share options as the exercise prices of those options were higher than the average market price for shares for that period.

(7) Reserves

Unaudited three months ended 30 September 2006							
	Share premium	Contributed surplus	Convertible loan note equity reserve	Share-based payment reserve	Translation reserve	Accumulated losses	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Beginning of the three months period	221,083	173,550	-	883	64	(33,774)	361,806
Profit for the period, representing total recognised income for the period	-	-	-	-	-	13,150	13,150
Recognition of employee share option benefits	-	-	-	1,051	-	-	1,051
End of the three months period	221,083	173,550	-	1,934	64	(20,624)	376,007

Unaudited three months ended 30 September 2005							
Note	Share premium	Contributed surplus	Convertible loan note equity reserve	Share-based payment reserve	Translation reserve	Accumulated losses	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Beginning of the three months period	61,956	173,550	479	680	-	(69,247)	167,418
Profit for the period, representing total recognised income for the period	-	-	-	-	-	3,196	3,196
Issue of new shares (a)	25,638	-	-	-	-	-	25,638
End of the three months period	87,594	173,550	479	680	-	(66,051)	196,252

Unaudited nine months ended 30 September 2006							
Notes	Share premium	Contributed surplus	Convertible loan note equity reserve	Share-based payment reserve	Translation reserve	Accumulated losses	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Beginning of the nine months period	130,794	173,550	581	883	-	(53,678)	252,130
Profit for the period, representing total recognised income for the period	-	-	-	-	-	33,054	33,054
Conversion of convertible loan note arising from partial repayment of convertible loan note (e)	10,508	-	(308)	-	-	-	10,200
Issue of new shares (d)	82,781	-	-	-	-	-	82,781
Transaction costs attributable to issue of new shares (d)	(3,000)	-	-	-	-	-	(3,000)
Recognition of employee share option benefits	-	-	-	1,051	-	-	1,051
Exchange difference arising from translation of foreign operations	-	-	-	-	64	-	64
End of the nine months period	221,083	173,550	-	1,934	64	(20,624)	376,007

Unaudited nine months ended 30 September 2005						
Notes	Share premium HK\$'000	Contributed surplus HK\$'000	Convertible loan note equity reserve HK\$'000	Share-based payment reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
Beginning of the nine months period, as originally stated	61,956	186,377	-	-	(84,951)	163,382
Effects of changes in accounting policies	-	-	771	680	(785)	666
Beginning of the nine months period, as restated	61,956	186,377	771	680	(85,736)	164,048
Profit for the period, representing total recognised income for the period	-	-	-	-	14,404	14,404
Issue of new shares (a)	25,638	-	-	-	-	25,638
Amount transferred to set off accumulated losses (b)	-	(12,827)	-	-	12,827	-
Arising from partial repayment of convertible loan note (c)	-	-	(292)	-	-	(292)
2004 final dividend paid	-	-	-	-	(7,546)	(7,546)
End of the nine months period	87,594	173,550	479	680	(66,051)	196,252

Notes:

- (a) On 15 September 2005, 132,000,000 shares of HK\$0.10 each were issued by way of subscription at a subscription price of HK\$0.27 per share. The proceeds before expenses were HK\$35,640,000. On 16 September 2005 and 26 September 2005, 650,000 share options and 12,675,000 share options respectively were exercised at the exercise price of HK\$0.34 per share, resulting in the issue of 650,000 shares and 12,675,000 shares of HK\$0.10 each on the respective date of exercise for a total consideration (before expenses) of HK\$4,530,500.
- (b) Pursuant to a minutes of a Directors' meeting held on 30 May 2005, an amount of HK\$12,827,374 was transferred from the contributed surplus account to set off against the accumulated losses of the Company at 31 December 2004 of HK\$5,281,810.
- (c) It refers to the difference between the fair value amount allocated to the liability component of a convertible loan note and the repayment amount of HK\$10,000,000.
- (d) Pursuant to the placing agreement dated 15 September 2005, a total of 155,000,000 new shares of HK\$0.10 each were issued to placees at a placing price of HK\$0.40 each on 10 January 2006. The gross proceeds from the placing were HK\$62,000,000. These shares rank pari passu in all respects with other shares in issue.

Pursuant to the subscription agreement dated 15 September 2005, a total of 120,000,000 new shares of HK\$0.10 each were issued to Celestial Investment Group Limited ("CIGL"), the controlling shareholder of the Company, at a subscription price of HK\$0.40 each on 10 January 2006. The gross proceeds from the subscription were HK\$48,000,000. These shares rank pari passu in all respects with other shares in issue.

On 26 January 2006, 1,170,000 share options were exercised at an exercise price of HK\$0.34 each, resulting in the issue of a total of 1,170,000 new shares of HK\$0.10 each for a total consideration (before expenses) of HK\$397,800. These shares rank pari passu in all respects with other shares in issue.

- (e) On 18 January 2006, a total of 60,000,000 new shares of HK\$0.10 each were issued upon partial exercise of conversion right attaching to the convertible loan note issued on 1 September 2004 in the sum of HK\$16,200,000 at the conversion price of HK\$0.27 each. These shares rank pari passu in all respects with other shares in issue.

DIVIDEND

The Board are pleased to declare an interim dividend of HK\$0.03 per ordinary share for the nine months ended 30 September 2006 (2005: Nil) to shareholders whose names appear on the register of members on 28 November 2006. The dividend cheques will be sent to shareholders on or before 1 December 2006.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 24 November 2006, Friday, to 28 November 2006, Tuesday, both days inclusive, during which no transfer of shares will be registered.

In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrars, Standard Registrars Limited at 26/F Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 pm on 23 November 2006, Thursday.

REVIEW AND OUTLOOK

During the third quarter, the Hang Seng Index quickly recouped the losses incurred in the previous quarter and reached a 6-year high as investors regained confidence on the back of robust economic growth. The market turnover averaged 26 billion HK dollars, a 27% increase compared to the same period last year. The stock market was marked with optimism and excitement over China's fast economic growth and RMB's gradual appreciation. The IPO market was strong and many new issues were heavily sought after. Globally, falling energy and commodity prices as a result of US economic slowdown eased concerns over inflation and brought hopes of US interest rate cuts in early 2007.

The Group achieved favorable results for the third quarter of 2006. Turnover and a net profit attributable to shareholders rose 69.4% and 129.5%, respectively. The Group recorded a turnover of HK\$263.2 million compared to HK\$155.4 million for the same period of last year. A net profit attributable to shareholders of HK\$33.1 million was recorded for the quarter ended 30 September 2006.

Our market share by turnover remained strong in the third quarter due partly to the general market strength and partly to the efforts we made in previous years to broaden our delivery channels and improve our execution platforms. The Group sustained its profitability and maintained respectable growth through superior execution and steadfast adherence to its product enrichment and revenue diversification strategy.

The brokerage business, among other business units, continued to experience the fastest growth within the Group in the third quarter while revenue from other businesses continued to show steady and healthy increases. The enhanced sales platforms that we put in place to deliver better execution have allowed us to successfully expand our clientele to include institutional clients.

Our wealth management division, while encountering fierce competition, continued to maintain its share of the revenue contribution during the period under review. To solidify and expand its market share in the increasingly competitive environment, the division will strengthen cross-selling synergy with the house-served brokerage clients.

The investment banking unit strengthened its effort in sourcing deals from medium-sized companies in the PRC and has received positive feedback. The team is working on finalizing a number of transactions initiated earlier this year and continuing to lay ground for the growing deal pipeline in the coming months.

The asset management business, which was launched last year, experienced healthy growth in the third quarter. It continues to focus on growing its client base and assets under management while preparing to launch the discretionary portfolio management service.

Our online game business performed in line with the financial targets as set out in the business plan and has broken even operationally. The subsidiary will continue to focus on granting licensing rights in the region and rolling out branch offices in the coming months.

As a natural extension of our comprehensive financial services model, we partnered with seasoned investment professionals and our Saudi Arabian shareholder to set up RACCA, a direct investment fund, to tap into the blooming economies in Asia especially China. The Fund focuses on pre-IPO opportunities and real estate projects. This new venture will not only broaden our business scope, but also enhance our corporate image in the investment industry.

The Group is generally optimistic about the business outlook for the rest of the year as GDP is expected to grow 5.7% in Hong Kong. Granted, there are challenges and factors ahead that could affect the global and local investment sentiments, such as high energy and commodity prices, and the impact of US economic slowdown and China's macro-tightening policy on the rest of the world. While we have been on track with our business plan so far, we will remain committed to managing our cost structure and our business with discipline. We will continue to diversify our revenue mix through strengthening existing businesses and enriching product types. Our goal is to position CFSG as clients' financial services house of choice that has comprehensive product offerings to meet their diverse financial needs, executes well and values their business relationships.

DIRECTORS' INTERESTS IN SECURITIES

As at 30 September 2006, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("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 pursuant to rule 5.46 of the GEM Listing Rules were as follows:

A. The Company

(a) Long positions in the ordinary shares

Name	Capacity	Number of shares		Shareholding (%)
		Personal	Other interest	
Kwan Pak Hoo Bankee	Founder of a discretionary trust	-	679,219,434*	49.18
Law Ping Wah Bernard	Beneficial owner	17,264,000	-	1.25
Wong Kin Yick Kenneth	Beneficial owner	7,568,000	-	0.55
Cheng Man Pan Ben	Beneficial owner	388,000	-	0.03
Cheng Shu Shing Raymond	Beneficial owner	1,100,000	-	0.08
		26,320,000	679,219,434	51.09

* The shares were held as to 638,827,434 shares by CIGL, a wholly-owned subsidiary of Celestial Asia Securities Holdings Limited (“CASH”) and as to 40,392,000 shares by Cash Guardian Limited (“Cash Guardian”). Mr Kwan Pak Hoo Bankee was deemed to be interested in all these shares as a result of his interests in CASH through Cash Guardian as disclosed in the “Substantial Shareholders” below.

(b) Long positions in the underlying shares – options under share option scheme

Name	Date of grant	Exercise period	Exercise price per share (HK\$)	Notes	Number of options			outstanding as at 30 September 2006	Percentage to issued shares as at 30 September 2006 (%)
					outstanding as at 1 January 2006	lapsed during the period (Note (2))	granted during the period		
Kwan Pak Hoo Bankee	6/10/2005	6/10/2005 - 31/10/2006	0.380	(1)	7,800,000	-	-	7,800,000	0.56
	7/7/2006	7/7/2006 - 31/7/2008	0.296	(1)	-	-	6,000,000	6,000,000	0.43
Law Ping Wah Bernard	6/10/2005	6/10/2005 - 31/10/2006	0.380		7,800,000	-	-	7,800,000	0.56
	7/7/2006	7/7/2006 - 31/7/2008	0.296		-	-	6,000,000	6,000,000	0.43
Wong Kin Yick Kenneth	6/10/2005	6/10/2005 - 31/10/2006	0.380		7,800,000	-	-	7,800,000	0.56
	7/7/2006	7/7/2006 - 31/7/2008	0.296		-	-	6,000,000	6,000,000	0.43
Cheng Man Pan Ben	2/12/2003	1/6/2004 - 31/5/2006	0.340		650,000	(650,000)	-	-	-
	6/10/2005	6/10/2005 - 31/10/2006	0.380		7,800,000	-	-	7,800,000	0.56
Cheng Shu Shing Raymond	7/7/2006	7/7/2006 - 31/7/2008	0.296		-	-	6,000,000	6,000,000	0.43
	6/10/2005	6/10/2005 - 31/10/2006	0.380		1,000,000	-	-	1,000,000	0.07
Hui Ka Wah Ronnie	7/7/2006	7/7/2006 - 31/7/2008	0.296		-	-	1,000,000	1,000,000	0.07
	6/10/2005	6/10/2005 - 31/10/2006	0.380		1,000,000	-	-	1,000,000	0.07
Lo Kwok Hung John	7/7/2006	7/7/2006 - 31/7/2008	0.296		-	-	1,000,000	1,000,000	0.07
	6/10/2005	6/10/2005 - 31/10/2006	0.380		1,000,000	-	-	1,000,000	0.07
Kwok Oi Kuen Joan Elmond	7/7/2006	7/7/2006 - 31/7/2008	0.296		-	-	1,000,000	1,000,000	0.07
	6/10/2005	6/10/2005 - 31/10/2006	0.380	(3)	7,800,000	(7,800,000)	-	-	-
					42,650,000	(8,450,000)	27,000,000	61,200,000	4.38

Notes:

- (1) Mr Kwan Pak Hoo Bankee is also the substantial shareholder of the Company.
- (2) The options were lapsed during the period due to expiry or cessation of employment of participants with the Group.
- (3) Ms Kwok Oi Kuen Joan Elmond resigned as Director of the Company during the period.
- (4) The options are held by the Directors in the capacity of beneficial owners.
- (5) No option was exercised or cancelled during the period.

(c) Aggregate long positions in the ordinary shares and the underlying shares

Name	Number of shares	Number of underlying shares	Aggregate in number	Percentage to
				issued shares as at 30 September 2006 (%)
Kwan Pak Hoo Bankee	679,219,434	13,800,000	693,019,434	50.17
Law Ping Wah Bernard	17,264,000	13,800,000	31,064,000	2.24
Wong Kin Yick Kenneth	7,568,000	13,800,000	21,368,000	1.54
Cheng Man Pan Ben	388,000	13,800,000	14,188,000	1.02
Cheng Shu Shing Raymond	1,100,000	2,000,000	3,100,000	0.22
Hui Ka Wah Ronnie	-	2,000,000	2,000,000	0.14
Lo Kwok Hung John	-	2,000,000	2,000,000	0.14
	705,539,434	61,200,000	766,739,434	55.47

B. Associated corporations (within the meaning of SFO)

1. CASH

(a) Long positions in the ordinary shares

Name	Capacity	Number of shares		Shareholding (%)
		Personal	Other interest	
Kwan Pak Hoo Bankee	Founder of a discretionary trust	-	164,028,376*	37.49
Law Ping Wah Bernard	Beneficial owner	5,096,200	-	1.16
Cheng Man Pan Ben	Beneficial owner	63,500	-	0.01
		5,159,700	164,028,376	38.66

* The shares were held by Cash Guardian. Mr Kwan Pak Hoo Bankee was deemed to be interested in all these shares as a result of his interests in Cash Guardian as disclosed in the "Substantial Shareholders" below.

(b) Aggregate long positions in the ordinary shares and the underlying shares

Name	Number of shares	Aggregate in number	Percentage to issued shares as at 30 September 2006 (%)
Kwan Pak Hoo Bankee	164,028,376	164,028,376	37.49
Law Ping Wah Bernard	5,096,200	5,096,200	1.16
Cheng Man Pan Ben	63,500	63,500	0.01
	<u>169,188,076</u>	<u>169,188,076</u>	<u>38.66</u>

2. CASH Retail Management Group Limited

(a) Long positions in the ordinary shares

Name	Capacity	Number of shares		Shareholding (%)
			Other interest	
Kwan Pak Hoo Bankee	Founder of a discretionary trust		<u>392,027,587*</u>	<u>35.88</u>

* The shares were held as to 389,027,587 shares by CIGL and its subsidiaries and as to 3,000,000 shares by Cash Guardian. However, CIGL has signed a sale and purchase agreement dated 11 August 2006 (as amended 25 August 2006) to dispose 294,965,087 shares out of the 389,027,587 shares held by it. As at 30 September 2006, the aforesaid disposal has not been completed. Mr Kwan Pak Hoo Bankee was deemed to be interested in all these shares as a result of his interests in CASH through Cash Guardian as disclosed in the "Substantial Shareholders" below.

(b) Aggregate long positions in the ordinary shares and the underlying shares

Name	Number of shares	Aggregate in number	Percentage to issued shares as at 30 September 2006 (%)
Kwan Pak Hoo Bankee	<u>392,027,587</u>	<u>392,027,587</u>	<u>35.88</u>

Save as disclosed above, as at 30 September 2006, none of the Directors, chief executive or their associates had any personal, family, corporate or other beneficial interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

SHARE OPTION SCHEME

Details of share options to subscribe for shares in the Company granted to participants under the share option scheme of the Company during the nine months ended 30 September 2006 were as follows:

Date of grant	Exercise period	Exercise price per share (HK\$)	Notes	Number of options				
				outstanding as at 1 January 2006	lapsed during the period (Note (3))	exercised during the period (Note (4))	granted during the period	outstanding as at 30 September 2006
Directors								
2/12/2003	1/6/2004 - 31/5/2006	0.340	(1)	650,000	(650,000)	-	-	-
6/10/2005	6/10/2005 - 31/10/2006	0.380	(1)	42,000,000	(7,800,000)	-	-	34,200,000
7/7/2006	7/7/2006 - 31/7/2008	0.296	(1)	-	-	-	27,000,000	27,000,000
				<u>42,650,000</u>	<u>(8,450,000)</u>	<u>-</u>	<u>27,000,000</u>	<u>61,200,000</u>
Employees								
2/12/2003	1/6/2004 - 31/5/2006	0.340		4,420,000	(3,250,000)	(1,170,000)	-	-
6/10/2005	6/10/2005 - 31/10/2006	0.380		33,000,000	-	-	-	33,000,000
7/7/2006	7/7/2006 - 31/7/2008	0.296		-	-	-	74,300,000	74,300,000
7/7/2006	7/7/2006 - 31/7/2010	0.296	(2)	-	-	-	6,000,000	6,000,000
				<u>37,420,000</u>	<u>(3,250,000)</u>	<u>(1,170,000)</u>	<u>80,300,000</u>	<u>113,300,000</u>
				<u>80,070,000</u>	<u>(11,700,000)</u>	<u>(1,170,000)</u>	<u>107,300,000</u>	<u>174,500,000</u>

Notes:

- (1) Details of the options granted to the Directors are set out in the section headed "Directors' Interests in Securities".
- (2) The options are vested in 4 tranches as to (i) 25% exercisable from the commencement of the exercise period; (ii) 25% exercisable from the expiry of 12 months from the commencement of the exercise period; (iii) 25% exercisable from the expiry of 24 months from the commencement of the exercise period; and (iv) 25% exercisable from the expiry of 36 months from the commencement of the exercise period.
- (3) The options were lapsed during the period due to expiry or cessation of employment of participants with the Group.
- (4) On 26 January 2006, 1,170,000 share options were exercised at the exercise price of HK\$0.34 per share. The weighted average closing price of the Company's shares immediately before the date of exercise was HK\$0.42 per share.
- (5) No option was cancelled during the period.

SUBSTANTIAL SHAREHOLDERS

As at 30 September 2006, the persons/companies, other than a Director or chief executive of the Company, who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO were as follows:

Name	Capacity	Number of shares	Shareholding (%)
Jeffnet Inc (Note (1))	Trustee of a discretionary trust	679,219,434	49.18
Cash Guardian (Note (1))	Interest in a controlled corporation	679,219,434	49.18
CASH (Note (1))	Interest in a controlled corporation	638,827,434	46.26
CIGL (Note (1))	Beneficial owner	638,827,434	46.26
Mr Al-Rashid, Abdulrahman Saad (“Mr Al-Rashid”) (Note (2))	Interest in a controlled corporation	207,636,000	15.03
Abdulrahman Saad Al-Rashid & Sons Company Limited (“ARTAR”) (Note (2))	Beneficial owner	207,636,000	15.03
Dr Wolfgang Auer von Welsbach (Note (3))	Interest in a controlled corporation	71,502,907	5.18
Auer von Welsbach Privatstiftung (Note (3))	Interest in a controlled corporation	71,502,907	5.18
AvW Beteiligungsverwaltungs GmbH (Note (3))	Interest in a controlled corporation	71,502,907	5.18
AvW Management Beteiligungs AG (Note (3))	Interest in a controlled corporation	71,502,907	5.18
AvW Invest AG Aktiengesellschaft (Note (3))	Beneficial owner	71,502,907	5.18

Notes:

- (1) This refers to the same number of 679,219,434 shares which were held as to 638,827,434 shares by CIGL, a wholly-owned subsidiary of CASH, and as to 40,392,000 shares by Cash Guardian (which was 100% beneficially owned by Jeffnet Inc). CASH was owned as to approximately 37.49% by Cash Guardian. Jeffnet Inc held these shares as trustee of The Jeffnet Unit Trust, units of which were held by a discretionary trust established for the benefit of the family members of Mr Kwan Pak Hoo Bankee. Pursuant to the SFO, Mr Kwan Pak Hoo Bankee, Jeffnet Inc and Cash Guardian were deemed to be interested in all the shares held by CIGL through CASH. The above interest has already been disclosed as other interest of Mr Kwan Pak Hoo Bankee in the section headed “Directors’ Interests in Securities” above.
- (2) This refers to the same number of 207,636,000 shares held by ARTAR. ARTAR was a 45% owned controlled corporation of Mr Al-Rashid. Pursuant to the SFO, Mr Al-Rashid was deemed to be interested in the shares and the underlying shares held by ARTAR.
- (3) This refers to the same number of 71,502,907 shares held by AvW Invest AG Aktiengesellschaft, an Austria corporation and was listed on Vienna Stock Exchange, ATX Prime Market. AvW Invest AG Aktiengesellschaft was 74% owned by AvW Management Beteiligungs AG, which in turn was 100% owned by AvW Beteiligungsverwaltungs GmbH. AvW Beteiligungsverwaltungs GmbH is 100% owned by Auer von Welsbach Privatstiftung, which was a discretionary trust established in Austria and its founders include Dr Wolfgang Auer von Welsbach. Pursuant to the SFO, Dr Wolfgang Auer von Welsbach, Auer von Welsbach Privatstiftung, AvW Beteiligungsverwaltungs GmbH and AvW Management Beteiligungs AG were deemed to be interested in all the shares held by AvW Invest AG Aktiengesellschaft.

Save as disclosed above, as at 30 September 2006, no other parties were recorded in the register required by the SFO to be kept as having an interest of 5% or more of the issued share capital of the Company.

COMPETING INTERESTS

None of the Directors or the management shareholders of the Company (as defined under the GEM Listing Rules) had any interest in a business which competes or may compete with the business of the Group.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

During the nine months ended 30 September 2006, neither our Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

On behalf of the Board
Bankee P Kwan
Chairman

As at the date hereof, the executive Directors are Mr Kwan Pak Hoo Bankee, Mr Law Ping Wah Bernard, Mr Wong Kin Yick Kenneth and Mr Cheng Man Pan Ben, and the independent non-executive Directors are Mr Cheng Shu Shing Raymond, Dr Hui Ka Wah Ronnie and Mr Lo Kwok Hung John.

Hong Kong, 6 November 2006