

OTHER INFORMATION

INTERIM DIVIDEND

The Board resolved not to declare an interim dividend for the six months ended 30 June 2006 (six months ended 30 June 2005: Nil).

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2006, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and 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 by the Company under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules (the "Model Code") were as follows:

(a) The Company

(i) Long positions in ordinary shares of HK\$0.025 each

Name of director	Capacity and nature of interest	Number of shares	Total number of shares	Approximate percentage of shareholding
Ng Hung Sang ("Mr. Ng")	Beneficial owner Interest of controlled corporations	7,378,000 3,637,302,500 (Note a)	3,644,680,500	72.82%
Richard Howard Gorges ("Mr. Gorges")	Beneficial owner	12,174,000	12,174,000	0.25%

(ii) Long positions in underlying shares

Name of director	Capacity and nature of interest	Number of underlying shares*	Approximate percentage of shareholding
Mr. Gorges	Beneficial owner	30,000,000	0.60%
Cheung Choi Ngor ("Ms. Cheung")	Beneficial owner	30,000,000	0.60%
Ng Yuk Yeung, Paul ("Mr. Paul Ng")	Beneficial owner	50,000,000	1.00%
Chan Hing Wah ("Mr. Chan")	Beneficial owner	21,000,000	0.42%

* Represents underlying shares subject to share options granted to the directors under the Share Option Scheme as follows:-

Name of director	Date of grant (DD/MM/YY)	Subscription price	Number of share options granted	Exercise period (DD/MM/YY)
Mr. Chan	16/03/2006	HK\$0.128	7,000,000	16/03/2007 – 15/03/2009
			7,000,000	16/03/2008 – 15/03/2010
			7,000,000	16/03/2009 – 15/03/2011
Ms. Cheung	16/03/2006	HK\$0.128	10,000,000	16/03/2007 – 15/03/2009
			10,000,000	16/03/2008 – 15/03/2010
			10,000,000	16/03/2009 – 15/03/2011
Mr. Gorges	16/03/2006	HK\$0.128	10,000,000	16/03/2007 – 15/03/2009
			10,000,000	16/03/2008 – 15/03/2010
			10,000,000	16/03/2009 – 15/03/2011
Mr. Paul Ng	16/03/2006	HK\$0.128	10,000,000	16/03/2007 – 15/03/2009
			10,000,000	16/03/2008 – 15/03/2010
			10,000,000	16/03/2009 – 15/03/2011
	26/04/2006	HK\$0.128	6,666,667	26/04/2007 – 25/04/2009
			6,666,667	26/04/2008 – 25/04/2010
		6,666,666	26/04/2009 – 25/04/2011	

(b) Long positions in ordinary shares of associated corporations

(i) South China Holdings Limited (“SCH”) (Note b)

Name of director	Capacity and nature of interest	Number of shares	Total number of shares	Approximate percentage of shareholding
Mr. Ng	Beneficial owner	71,652,200	1,344,181,812	73.72%
	Interest of controlled corporations	1,272,529,612 (Note c)		
Mr. Gorges	Interest of controlled corporations	487,949,760 (Note c)	487,949,760	26.76%
Ms. Cheung	Interest of controlled corporations	487,949,760 (Note c)	487,949,760	26.76%

(ii) South China Industries Limited (“SCI”) (Note d)

Name of director	Capacity and nature of interest	Number of shares	Approximate percentage of shareholding
Mr. Ng	Interest of controlled corporations	396,621,357 (Note e)	74.79%

(iii) Nority International Group Limited (“Nority”) (Note f)

Name of director	Capacity and nature of interest	Number of shares	Approximate percentage of shareholding
Mr. Ng	Interest of controlled corporations	255,885,561 (Note g)	95.35%

(iv) South China Financial Credits Limited (“SCFC”) (Note b)

Name of director	Capacity and nature of interest	Number of shares	Approximate percentage of shareholding
Mr. Paul Ng	Beneficial owner	250,000	0.59%

(v) The Express News Limited (“Express News”) (Note i)

Name of director	Capacity and nature of interest	Number of shares	Approximate percentage of shareholding
Mr. Ng	Interest of controlled corporations	30 (Note j)	30%

Notes:

- (a) The 3,637,302,500 shares in the Company were held by certain wholly-owned subsidiaries of SCH. By virtue of the interests in the shares of SCH in relation to which Mr. Ng had a duty of disclosure under the SFO in the issued share capital of SCH as described in Note (c) below and as a director of SCH, Mr. Ng was taken to have a duty of disclosure in relation to the said shares of the Company under the SFO.
- (b) The Company was a 72.67% owned subsidiary of SCH.
- (c) Mr. Ng, Ms. Cheung and Mr. Gorges, through companies wholly owned and controlled by them, had interests in 487,949,760 shares in SCH. Mr. Ng personally owned 71,652,200 shares and through companies wholly owned and controlled by him, beneficially owned 784,579,852 shares in SCH.
- (d) SCI was a 74.79% owned subsidiary of SCH.

- (e) The 396,621,357 shares in SCI were held by certain wholly-owned subsidiaries of SCH. By virtue of the interests in the shares of SCH in relation to which Mr. Ng has a duty of disclosure under the SFO in the issued share capital of SCH as described in Note (c) above and as a director of SCH, Mr. Ng was taken to have a duty of disclosure in relation to the said shares of SCI under the SFO.
- (f) Nority was a 95.35% owned subsidiary of SCI.
- (g) The 255,885,561 shares in Nority were held by an indirect wholly-owned subsidiary of SCI. By virtue of the interest in the shares of SCH in relation to which Mr. Ng had a duty of disclosure under the SFO in the issued share capital of SCH as described in Note (c) above and as a director of SCH, Mr. Ng was taken to have a duty of disclosure in relation to the said shares of Nority under the SFO.
- (h) SCFC was a 97.44% owned subsidiary of the Company.
- (i) Express News was a 70% owned subsidiary of SCH.
- (j) Mr. Ng and his family, through a company wholly-owned and controlled by them, had interests in 30 shares in Express News.

Save as disclosed above, as at 30 June 2006, none of the directors or chief executives of the Company had, any 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) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2006, other than the interests and short positions of the directors and chief executives of the Company as disclosed above, the following persons had interests and short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of Part XV of the SFO.

Long positions in ordinary shares of HK\$0.025 each of the Company

Name of shareholder	Capacity and nature of interest	Number of shares	Approximate percentage of shareholding
SCH	Interest of controlled corporations	3,637,302,500	72.67%

Save as disclosed above, as at 30 June 2006, no other interests or short positions in the shares or underlying shares of the Company were recorded in the register required to be kept by the Company under Section 336 of Part XV of the SFO.