

SUBSTANTIAL SHAREHOLDER'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OF THE COMPANY

The register of substantial shareholders maintained under Section 336 of the SFO shows that, as at 30 September 2004, the Company had been notified of the following substantial shareholders' interests and short position, being 5% or more of the Company's issued share capital.

Name of shareholder	Number of shares held	Approximate percentage of the total number of shares in issued
Ordinary shares of HK\$ 0.01 each in the Company		
Fung Fai Growth Limited (<i>Note (a)</i>)	340,000,000	32.08%
Kingswell Holdings Group Limited (<i>Note (b)</i>)	192,000,000	18.12%

Notes:

- (a) The entire issued share capital of Fung Fai Growth Limited is owned by a trust of which the discretionary objects are family members of Mr. Cheng Kai Ming, Charles, including a director of the Company, Mr. Cheng Wai Lun, Andrew.
- (b) The entire issued share capital of Kingswell Holdings Group Limited is beneficially owned by Mr. Janusz Mieczyslaw Stempnowski.

Save as disclosed above, the Company has not been notified of any other interests representing 5% or more of the Company's issued share capital as at 30 September 2004.

EMPLOYMENT AND REMUNERATION POLICIES

As at 30 September 2004 and 31 March 2004, the Group employed a total of 7 full-time employees, including the executive directors of the Group. Employees' remuneration are fixed and determined with reference to the market rate.

AUDIT COMMITTEE

The audit committee, which comprises of three independent non-executive directors of the Company, has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including a review of the unaudited interim financial statements for the six months ended 30 September 2004.

CODE OF BEST PRACTICE

Save and except that the independent non-executive directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Company's articles of association, none of the Directors is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the six months ended 30 September 2004 in compliance with the Code of Best Practice as set out in Appendix 14 of the Listing Rules.

REPURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 September 2004, there was no repurchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries.

By Order of the Board
Li Kwok Cheung, George
Executive Director

Hong Kong, 29 October 2004