

CORPORATE GOVERNANCE PRACTICES

Audit Committee

The Company has established an audit committee with written terms of reference in compliance with C.3.3 as set out in Appendix 14 of the Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting and internal control procedures of the Group. The audit committee comprises three members namely Mr. Wong Lit Chor, Alexis, Dr. Leung Wai Cheung and Mr. Lo Ka Wai who are independent non-executive directors of the Company.

Remuneration Committee

The Company has established a remuneration committee with written terms of reference in compliance with B.1.1 as set out in Appendix 14 of the Listing Rules. The principal responsibilities of the remuneration committee include making recommendations to the Board on the Company's policy and structure for all remuneration of directors and senior management and reviewing the specific remuneration packages of all executive directors and senior management by reference to corporate goals and objects resolved by the Board from time to time. The remuneration committee comprises five members namely Mr. Ng Tat Leung, George, Mr. Lui Siu Yee, Samuel who are executive directors of the Company, Mr. Wong Lit Chor, Alexis, Dr. Leung Wai Cheung and Mr. Lo Ka Wai who are independent non-executive directors of the Company.

Model Code for Securities Transactions by Directors

The Company has adopted a code of conduct on terms no less exacting than the required standards of the model code for securities transactions by Directors set out in Appendix 10 of the Listing Rules. The Company confirms that, having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard of dealings as set out therein.

Compliance with the Code on Corporate Governance Practices

None of the Directors is aware of any information that would reasonably indicate that the Group is not, or was not for any part of the accounting period covered by this interim report in compliance with the code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules except the following:

1. The Board is in the opinion that Mr. Ng Tat Leung, George assumes the roles of both Chairman and chief executive officer of the Company due to his strong leadership and experience in the construction industry.
2. The independent non-executive Directors of the Company are not appointed for specific terms but are subject to retirement by rotation in accordance with the Company's Articles of Association.

DIRECTORS

As at the date of this report, the Executive Directors of the Company are Mr. Ng Tat Leung, George, Mr. Wong Teck Ming, Mr. Chen Jinkui, Mr. Sun Haichao, Mr. Lui Siu Yee, Samuel, Mr. Chan Wai Keung, Ivan and Mr. Lo Chung Sun, Simon and the non-executive Director is Mr. Wang Xianzhang; and the Independent Non-executive Directors of the Company are Mr. Wong Lit Chor, Alexis, Dr. Leung Wai Cheung and Mr. Lo Ka Wai.

On behalf of the Board
Ng Tat Leung, George
Chairman and Managing Director

Hong Kong SAR, 15 December 2005