

EMPLOYEES' REMUNERATION POLICY

The total number of employees was about 180 at 30 June 2003. Remuneration packages are determined by the qualifications and experiences of the staff concerned and are reviewed annually by the management with reference to the market conditions and their performance. The Group also participates in Mandatory Provident Fund Scheme in Hong Kong and state-managed retirement benefit scheme in the PRC.

DIRECTORS' INTERESTS IN SHARES

As at 30 June 2003, the interests of the Directors or the chief executives of the Company or any of its associated corporation (within the meaning of the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance")) in the share capital of the Company as recorded in the register maintained by the Company pursuant to Section 29 of the SDI Ordinance were set out as below:

Name of Director	Number of ordinary shares held and nature of interests				
	Personal interest	Family interest	Corporate interest	Other interest	
Mr. He Xuechu	(Note)	–	–	2,500,000,000	–
Mr. Ku Wai Kwan	(Note)	–	–	–	–
Mr. Zhou Teng	(Note)	–	–	–	–
Mr. Wong Hing Kwok	(Note)	–	–	–	–

Note: The 2,500,000,000 shares are held by Proper Glory Holding Inc. ("Proper Glory"), a company incorporated in the British Virgin Islands. The issued share capital of Proper Glory is beneficially owned as to 32 per cent. by Mr. He Xuechu, as to 28 per cent. by Fortune Door Investment Limited, as to 25 per cent. by Venture Link Assets Limited and as to 15 per cent. by Wong Hing Kwok. Fortune Door Investment Limited is a private company incorporated in the British Virgin Islands with limited liability and the entire issued capital of which is beneficially owned by Mr. Ku Wai Kwan. Venture Link Assets Limited is a private company incorporated in the British Virgin Islands with limited liability and the entire issued capital of which is beneficially owned by Mr. Zhou Teng.

Save as disclosed above, none of the Directors or the chief executives of the Company had any personal, family, corporate or other interest in the equity or debt securities of the Company or any of its associated corporations (as defined in the SDI Ordinance).