

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Employment and Remuneration Policies

As at 30th September, 2003, the Group had a total of 133 employees of which 84 are based in Hong Kong, 44 in Macau and 5 in the PRC. Total staff costs incurred during the period amounted to approximately HK\$13,216,000 (2002: HK\$18,324,000). Remuneration packages are maintained at competitive level and reviewed by the management on a periodical basis. Discretionary bonuses and incentive share options are awarded to certain directors and employees according to the assessment of individual merit and performance.

INTERIM DIVIDEND

The Board of Directors of the Company has resolved not to declare an interim dividend for the six months ended 30th September, 2003 (2002: Nil).

REPURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor its subsidiaries have purchased, sold or redeemed any of the listed securities in the Company during the six months ended 30th September, 2003.

SHARE OPTION SCHEME

The Company has terminated its share option scheme adopted on 15th June, 1993 (the "1993 Scheme") and adopted a new share option scheme (the "2002 Scheme") on its 2002 Annual General Meeting held on 21st August, 2002. Details of the 2002 Scheme were set out in the circulars to shareholders dated 26th July, 2002. No share option has been granted under the 2002 Scheme since its adoption.

Subsequent to the termination of the 1993 Scheme, no further options can be granted thereunder but in all other respects, the provisions of the 1993 Scheme shall remain in force and all options granted prior to such termination shall continue to be valid and exercisable in accordance therewith.

SHARE OPTION SCHEME (Continued)

Details of the movement of the share options granted to the Directors and employees of the Company under the 1993 Scheme during the six months ended 30th September, 2003 are as follows:

	Date of Grant	At 1st April, 2003	Granted/ Exercised/ Lapsed/ Cancelled during the period	Number of share options		Exercise price per share HK\$	Exercisable period
				At 30th September, 2003			
(a) Directors							
Mr. Cheung Wai Tung	3rd March, 2000	4,565,000	–	4,565,000	1.680	3rd March, 2000 to 2nd March, 2010	
Mr. Chu Bong Foo	(i) 27th August, 1999	10,000,000	–	10,000,000	0.264	27th August, 1999 to 26th August, 2009	
	(ii) 3rd March, 2000	2,000,000	–	2,000,000	1.680	3rd March, 2000 to 2nd March, 2010	
Mr. Cheung Kam Shing, Terry	3rd March, 2000	3,000,000	–	3,000,000	1.680	3rd March, 2000 to 2nd March, 2010	
Mr. Henry Chang Manayan	(i) 27th August, 1999	2,000,000	–	2,000,000	0.264	27th August, 1999 to 26th August, 2009	
	(ii) 3rd March, 2000	500,000	–	500,000	1.680	3rd March, 2000 to 2nd March, 2010	
Mr. Wan Xiaolin	3rd March, 2000	1,000,000	–	1,000,000	1.680	3rd March, 2000 to 2nd March, 2010	
(b) Employees	3rd March, 2000	27,535,000	–	27,535,000	1.680	3rd March, 2000 to 2nd March, 2010	