

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the period. Neither the Company nor any of its subsidiaries have purchased or sold any of the Company's shares during the period.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

At 30th June, 2004, none of the directors and chief executive had any interest in and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company under Section 352 of the SFO or as notified to the Company.

None of the directors and executives (including their spouses and children under 18 years of age) had any interests in, or had been granted, or exercised, any rights to subscribe for shares of the Company.

At no time during the period was the Company or any of its subsidiaries or associated companies a party to any arrangements to enable the directors or chief executives of the Company to acquire any interests or short positions in the shares, underlying shares or debenture of, the Company or its associated corporations.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

The register of substantial shareholders maintained under Section 336 of the SFO shows that as at 30th June, 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	Capacity	Type of interest	Number of ordinary shares of HK\$0.01 each	Total Interests as % of issued share capital
Endless Wealth Limited*	Beneficial owner	Corporate	15,000,000	20.83%

* Principally engaged in investment holding business, and wholly owned by and controlled by Mr. Chin Melvyn Michael.

All the interests stated above represent long positions. As at 30th June, 2004, no short positions were recorded in the register required to be kept under section 336 of the SFO.

COMPLIANCE WITH THE CODE OF BEST PRACTICE OF THE LISTING RULES

None of the directors of the Company is aware of any information that would indicate that the Group is not, or was not, at any time during the six months ended 30th June, 2004, in compliance with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

AUDIT COMMITTEE

The Audit Committee 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 condensed accounts for the six months ended 30th June, 2004 before recommending them to the Board for approval.

The Committee comprises three independent non-executive directors, namely Mr. Kong Tze Wing, Mr. Siu Siu Ling, Robert and Mr. Ng Yick Man, Andy.

By order of the Board

Choi Wai Yin

Executive Director

Hong Kong, 13th September, 2004

As at the date of this report, the Board consists of Mr. Choi Wai Yin, Mr. Chan Nap Kee Joseph, Mr. Wong Wing Hong Benny and Mr. Wong Wai Kwong David as executive directors, and Mr. Kong Tze Wing, Mr. Ng Yick Man Andy and Mr. Siu Siu Ling Robert as independent non-executive directors.