

The Company raised a total of approximately HK\$8.3 million, net of related expenses, from the subscription which had been fully applied to the general working capital.

Note 2: In October, 2003, the Company proposed an open offer on the basis of 5 offer shares for every existing share held to all shareholders with their register of members, in Hong Kong at HK\$0.04 per share. The open offer was completed on 29th December, 2003 with the issuance of 2,159,375,000 shares of HK\$0.01 each for approximately HK\$79.7 million, net of related expenses. The net proceed has been applied to the followings:

	Original Schedule HK\$'000	Revised Schedule* HK\$'000	Actual application as of today HK\$'000
Repayment of outstanding loans	19,500	19,500	19,500
Applied to general working capital	20,200	30,200	30,200
For further development of multi-media business	40,000	-	-
For operating and development of copper business	-	30,000	23,000
	<u>79,700</u>	<u>79,700</u>	<u>72,700</u>

\* Pursuant to an announcement dated 17th August, 2004, the Directors has decided to change the application of approximately HK\$40 million previously intended to be used for the development of the multi-media business to approximately HK\$30 million be used for the operating and development of the copper business, including the purchase of copper cathode and as to approximately HK\$10 million be used for the general working capital.

## EMPLOYEES AND REMUNERATION POLICY

The Group had a total of approximately 620 employees as at 30th June, 2004. The Group recognizes the importance of its human resources to its success. The remuneration packages of the Group's employees are maintained at competitive levels based on their performance and experience and are in line with current industry practices. Other staff benefits provided by the Group include the provision of mandatory provident fund, discretionary bonuses and share option scheme. The remuneration policy and packages of the Group's employees are reviewed regularly.