

Notes:

1. At 30th September, 2004, Multiple Wealth and Pacific Rim held 192,318,000 and 534,600,000 ordinary shares of the Company, representing approximately 5.16% and 14.37% of the issued share capital of the Company at that date, respectively. Multiple Wealth and Pacific Rim are wholly-owned subsidiaries of Hastings Gold, which in turn, is a wholly-owned subsidiary of Mainland Talent.
2. Ms. Yau Shum Tek, Cindy wholly owns and controls Red China and Capital Sun. Capital Sun wholly owns Future Star. Each of Red China and Future Star is interested in 50% of the issued share capital of Mainland Talent. Ms. Yau Shum Tek, Cindy is deemed to be interested in a total of 726,918,000 ordinary shares of the Company held by Multiple Wealth and Pacific Rim.
3. The percentage to the issued share capital of the Company which the shares represented as of the date on which the Company was notified pursuant to the SFO.

Save as disclosed above, at 30th September, 2004, the Company had not been notified by any persons who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30th September, 2004.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited interim financial report of the Group for the six months ended 30th September, 2004. In carrying out the review, the Audit committee has relied on the review of the Group's external auditors on the interim financial report as well as obtaining explanations from management.