

**EMPLOYEE**

As at 30 September 2004, the Group employed 681 (31 March 2004: 696) staff in Hong Kong and the PRC. Salaries of employees are maintained at competitive levels while bonuses are granted on a discretionary basis. Other employee benefits include mandatory provident fund, statutory insurance cover, training programmes and a share option scheme.

**OTHER INFORMATION****DIRECTORS**

The directors during the period and up to the date of this report were:

**Executive directors**

Mr. Chan Yum Kit  
 Ms. Tsui How Kiu, Shirley  
 Mr. Chui Hing Yee  
 Mr. Chan Sze Chun

**Independent non-executive directors**

Ms. Yu Yuk Ying, Vivian  
 Mr. Chu Chun Kit, Sidney  
 Ms. Wong Shuk Ying, Helen *(appointed on 25 September 2004)*

**DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES**

As at 30 September 2004, the interests and short positions of the directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in the Rules Governing the Listing of Securities on The Stock Exchange were as follows:

<b>Name of director</b>	<b>Number of shares</b>	<b>Nature of interest</b>
Mr. Chan Yum Kit	210,000,000	Corporate/Family (Notes (1) and (2))
Ms. Tsui How Kiu, Shirley	210,000,000	Corporate/Family (Notes (1) and (2))

*Notes:*

- (1) These shares are held by Super Result Consultants Limited ("Super Result"). The share capital of Super Result is beneficially owned by Mr. Chan Yum Kit ("Mr. Chan"), Ms. Tsui How Kiu, Shirley ("Ms. Tsui") and Mr. Chui Hing Yee as to 46.7%, 46.7% and 6.6% respectively. Each of Mr. Chan and Ms. Tsui will therefore be deemed to be interested in the 210,000,000 shares held by Super Result as corporate interest.
- (2) Since Mr. Chan and Ms. Tsui are married to the other, Mr. Chan will be deemed to be interested in the shares which Ms. Tsui will be deemed to be interested in as family interest and vice versa.

In addition to the above, certain director has non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Group. Certain directors also have beneficial interests in non-voting deferred shares practically carrying no rights to dividends or to receive notice of or to attend or vote at any general meeting or to participate in any distribution or winding up in a subsidiary.

Apart from the foregoing, as at 30 September 2004, none of the directors or the chief executive of the Company or their respective associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations, within the meaning of Part XV of the SFO, or as recorded in the register kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## SHARE OPTION SCHEME

Pursuant to the share option scheme adopted on 25 January 2002, the Company has granted certain directors and employees of the Company and other participant options to subscribe for shares of the Company. A summary of the movements of the outstanding share options during the six months ended 30 September 2004 is set out below.

Eligible person	Number of share options				Balance as at 30/09/2004	Exercise price per share HK\$	Date of grant (DD/MM/YYYY)	Exercisable period (DD/MM/YYYY)
	Balance as at 01/04/2004	Granted during the period	Exercised during the period	Lapsed/cancelled during the period				
<i>Director</i>								
Mr Chan	2,100,000	-	-	-	2,100,000	1.15	02/04/2002	23/04/2002-01/04/2012
Ms. Tsui	2,100,000	-	-	-	2,100,000	1.15	02/04/2002	23/04/2002-01/04/2012
Chui Hing Yee	500,000	-	-	-	500,000	1.15	02/04/2002	23/04/2002-01/04/2012
Chan Sze Chun	900,000	-	-	-	900,000	1.15	02/04/2002	23/04/2002-01/04/2012
Yu Yuk Ying, Vivian	100,000	-	-	-	100,000	1.15	02/04/2002	23/04/2002-01/04/2012
<i>Continuous contract employees in aggregate</i>	1,490,000	-	370,000	540,000	580,000	1.15	02/04/2002	02/04/2003-01/04/2012
<i>Suppliers of services in aggregate</i>	600,000	-	100,000	-	500,000	1.15	02/04/2002	23/04/2002-01/04/2012
<i>Other participants in aggregate</i>	200,000	-	200,000	-	-	1.15	02/04/2002	23/04/2002-01/04/2012
	<u>7,990,000</u>	<u>-</u>	<u>670,000</u>	<u>540,000</u>	<u>6,780,000</u>			

## Note:

Certain holder of the options has ceased to be director of the Company on or before 1 April 2004. The respective outstanding options and the movements thereof during the period ended 30 September 2004 have been reclassified under the category of other participants.

Apart from the foregoing, at no time during the period ended 30 September 2004 was the Company, its holding company, subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors or the chief executive of the Company or any of their spouses or children under eighteen years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

### **SUBSTANTIAL INTERESTS IN THE SHARE CAPITAL OF THE COMPANY**

As at 30 September 2004, the interests or short positions of the following shareholders, other than the directors and the chief executive of the Company, in the shares or underlying shares of the Company which have been disclosed to the Company pursuant to Part XV of the SFO have been recorded in the register kept by the Company under section 336 of the SFO:

<b>Name of shareholder</b>	<b>Aggregate long position in shares</b>	<b>Approximate percentage of aggregate interests to total issued share capital</b>
Super Result	210,000,000	74.69% <i>(Note 1)</i>
Value Partners Intelligent Fund – Chinese Mainland Focus Fund	14,426,000	5.13%
Value Partners Limited	15,216,000	5.41% <i>(Notes 2 &amp; 3)</i>

*Notes:*

- 1 The share capital of Super Result is beneficially owned by Mr. Chan, Ms. Tsui and Mr. Chui Hing Yee as to 46.7%, 46.7% and 6.6% respectively.
- 2 14,426,000 shares of the 15,216,000 shares was held by Value Partners Limited in the capacity of the investment manager of Value Partners Intelligent Fund – Chinese Mainland Focus Fund.
- 3 Value Partners Limited was a controlled corporation of Mr. Cheah Cheng Hye. As a result, the interest held by Value Partners Limited was deemed interest held by Mr. Cheah Cheng Hye.

Apart from the foregoing, and other than the directors and the chief executive of the Company whose interests are set out in the sections "Directors' and chief executive's interests in securities" and "Share option scheme" above, no person was recorded in the register kept by the Company under section 336 of the SFO as having an interest or a short position in the shares or underlying shares of the Company as at 30 September 2004.

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

There were no purchases, sales or redemptions of the Company's listed securities by the Company or any of its subsidiaries during the six months ended 30 September 2004.

#### **CODE OF BEST PRACTICE**

None of the directors is aware of information that would reasonably indicate that the Company is not, or was not for any part of the six months ended 30 September 2004, in compliance with the Code of Best Practice as set out in Appendix 14 to the Listing Rules.

#### **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Monday, 3 January 2005 to Wednesday, 5 January 2005, both days inclusive, during which period no transfer of shares will be registered. To qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Hong Kong Registrars Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:00 p.m. on Friday, 31 December 2004.

By Order of the Board  
**Chan Yum Kit**  
*Chairman*

Hong Kong SAR, 15 December 2004