



EMPLOYEES

As at 30 September 2004, the Group employed 2,248 (2003: 2,535) employees of which 51 were based in Hong Kong, 2,179 based in the PRC and 18 spread around the US, the UK and Germany.

The Group adopts an extensive training policy for its employees. It also sponsors senior executives for higher education programs.

The Group has adopted a share option scheme whereby certain eligible employees of the Group may be granted option to acquire shares.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months period ended 30 September 2004, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE

The Audit Committee meets regularly with senior management to review the accounting principles and practices adopted by the Group and to discuss auditing, internal control and financial reporting matters including the review of this unaudited condensed consolidated interim financial statements. The members of the Committee are Mr. LO Ming Chi, Charles, Mr. LO Wah Wai and Mr. ORR, Joseph Wai Shing, all of them are independent non-executive directors of the Company.

COMPLIANCE WITH THE CODE OF BEST PRACTICE

In the opinion of the directors, the Company complied with the Code of Best Practice (the "Code") as set out in Appendix 14 of the Listing Rules throughout the accounting period covered by the interim report, except that independent non-executive directors are not appointed for specific terms as recommended by the Code, but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's bye-laws.