

## EMPLOYMENT AND REMUNERATION POLICY

As at 31 October 2004, the Group has 953 (30 April 2004: 1108) employees in Hong Kong and the Mainland China.

The Group has not experienced any significant problems with its employees or disruptions due to labour disputes nor has it experienced difficulties in the recruitment and retention of experienced staff. The Group remunerates its employees based on industry practices. Its staff benefits, welfare, share options and statutory contributions, if any, are made in accordance with individual performance and prevailing labour laws of its operating entities. Details of the Scheme are set out under "SHARE OPTION SCHEME" above.

## PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

During the six months ended 31 October 2004, the Company and its subsidiaries did not purchase, sell or redeem any of the Company's listed securities.

## AUDIT COMMITTEE

The audit committee has reviews with the management the accounting principles and practices adopted by the Group and discusses auditing, internal controls and financial reporting matters including the review of the unaudited condensed consolidated interim financial statements.

## COMPLIANCE WITH THE CODE OF BEST PRACTICE

In the opinion of the Directors, the Company has complied with the Code of Best Practices as set out in Appendix 14 of the Listing Rules throughout the six months ended 31 October 2004.

By order of the Board  
**Wong Chi Man**  
*Chairman and Managing Director*

Hong Kong, 29 December 2004