

## REPORT OF THE DIRECTORS

The directors submit their report together with the audited accounts for the year ended 31 December 2004.

### PRINCIPAL ACTIVITIES AND SEGMENTAL INFORMATION

The principal activity of the Company is investment holding and the activities of its principal subsidiaries, associated companies and jointly controlled entities are shown in notes 31, 13 and 14 to the accounts respectively.

An analysis of the Group's turnover and segmental information are set out in note 2 to the accounts.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated profit and loss account on page 33.

### RESERVES

Movements in the reserves of the Group and the Company during the year are set out in note 24 to the accounts.

As at 31 December 2004, the Company had no reserves available for distribution under Section 79B of the Hong Kong Companies Ordinance (31 December 2003 : Nil)

### FIXED ASSETS

Details of the movements in fixed assets, including investment properties, of the Group and the Company are set out in note 11 to the accounts.

A schedule of principal properties held for investment purposes is set out on page 98.

### LONG TERM LIABILITIES

Particulars of the Group's and the Company's long term liabilities at the balance sheet date are set out in note 22 to the accounts.

### SHARE CAPITAL

Details of the movements in share capital of the Company are shown in note 23 to the accounts.

### CONVERTIBLE NOTES

Details of the issuance of convertible notes by a subsidiary of the Company and their conversion are set out in note 25 to the accounts.

## REPORT OF THE DIRECTORS

### DONATIONS

During the year, the Group made charitable and other donations of approximately HK\$75,000 (2003: HK\$2,000).

### FIVE YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is shown on pages 96 to 97.

### DIRECTORS

The directors during the year and up to the date of this report are:

*Executive directors :*

YU Kam Kee, Lawrence

WONG Sin Just

WONG Kean Li

WANG Ruiping

*Non-executive director :*

YU Kam Yuen, Lincoln

*Independent non-executive directors :*

LO Wing Yan, William

CHAN Kai Yu, Rudy

Raja Datuk Karib Shah BIN SHAHRUDIN (appointed on 6 October 2004)

In accordance with Article 104 of the Company's Articles of Association, Mr Wong Kean Li and Dr Lo Wing Yan, William retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

In accordance with Article 110 of the Company's Articles of Association, Raja Datuk Karib Shah bin Shahrudin, who was appointed during the year, retires and, being eligible, offers himself for re-election.

The independent non-executive directors of the Company are subject to the general provisions in respect of the retirement and rotation of directors in the Company's Articles of Association.

### BIOGRAPHICAL DETAILS OF DIRECTORS

Brief biographical details of directors are set out on pages 15 to 17.

## REPORT OF THE DIRECTORS

### DIRECTORS' EMOLUMENTS

Details of directors' emoluments in respect of the year are shown in note 6 to the accounts.

### DIRECTORS' INTERESTS IN SERVICE CONTRACT

No director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

### DIRECTORS' INTERESTS IN SHARES AND OPTIONS

At 31 December 2004, the following directors of the Company were interested in the shares and underlying shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register kept 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:

#### (A) Interests in the Company

##### (1) Shares

Name of director	Number of ordinary shares of HK\$0.10 each			Approximate percentage of issued shares
	Personal interest	Corporate interest	Total	
Yu Kam Kee, Lawrence	162,918,026	4,882,965*	167,800,991	3.94%
Yu Kam Yuen, Lincoln	12,083,885	—	12,083,885	0.28%
Wong Sin Just	3,002,000	—	3,002,000	0.07%
Wang Ruiping	1,000,000	—	1,000,000	0.02%

\* Mr Yu Kam Kee, Lawrence has a shareholding of 60% in Henway Enterprises Limited, the beneficial owner of 4,882,965 shares of the Company.

##### (2) Share options

Details of the share options granted to the directors by the Company and outstanding as at 31 December 2004 are set out under the section "Options Granted under the Share Option Scheme" below.

## REPORT OF THE DIRECTORS

### DIRECTORS' INTERESTS IN SHARES AND OPTIONS (continued)

#### (B) Interests in the shares in associated corporations

Name of associated corporation	Name of Director	Number of ordinary shares		Approximate percentage of issued shares
		Personal interest	Corporate interest	
Draco Investments Limited (Note 1)	Yu Kam Kee, Lawrence	—	38	38%
Eastern Capital Inc. (Note 2)	Yu Kam Kee, Lawrence	—	13,332	33.33%
SBI E2-Capital Limited (Note 3)	Wong Sin Just	6	—	2%

Notes:

- (1) Mr Yu Kam Kee, Lawrence holds 100% equity interest in Brightplus Group Limited which in turn holds 38 shares of US\$1.00 each in the capital of Draco Investments Limited (representing 38% of its issued shares), a company incorporated in the British Virgin Islands in which the Company has a 25.5% indirect interest.
- (2) Mr Yu Kam Kee, Lawrence holds 100% equity interest in Brightplus Group Limited which in turn holds 13,332 shares of US\$1.00 each in the capital of Eastern Capital Inc. (representing 33.33% of its issued shares), a company incorporated in the British Virgin Islands in which the Company has a 50.0038% indirect interest.
- (3) Dato' Wong Sin Just holds 6 shares of HK\$1.00 each in the capital of SBI E2-Capital Limited (representing 2% of its issued shares), a company incorporated in the Cayman Islands in which the Company has a 49% indirect interest.

Save as disclosed above, none of the directors or chief executives of the Company had any interest or short position 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) as recorded in the register kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

### SHARE OPTION SCHEME

On 30 October 2001, at the annual general meeting, the Company adopted a share option scheme (the "Scheme") under which the board of directors may, at its discretion, offer to any participant an option to subscribe for shares in the Company in accordance with the terms and conditions of the Scheme. A summary of the Scheme is as follows:

## REPORT OF THE DIRECTORS

### SHARE OPTION SCHEME (continued)

#### (1) Purposes

The purposes of the Scheme are, inter alia, to attract and retain best available personnel and to provide additional incentive to the participants.

#### (2) Participants

The participants include any full time and part time employee, director, consultant or advisor of the Company, any of its subsidiaries or any associated company of the Company.

#### (3) Maximum number of shares available for subscription

The maximum number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes of the Company shall not exceed 30% of the issued share capital of the Company from time to time.

#### (4) Maximum entitlement of each participant

Unless approved by the shareholders of the Company at a general meeting, the total number of shares issued and to be issued upon the exercise of options granted to each participant (including both exercised and outstanding options) in any 12 months period shall not exceed 1% of the issued share capital of the Company.

#### (5) Maximum period for exercising an option

An option may be exercised in accordance with the terms of the Scheme at any time during a period to be notified by the board to each grantee, such period of time not exceeding 10 years from the date of grant of the option.

#### (6) Basis of determining the exercise price

The exercise price per share shall be determined by the board and shall be at least the higher of:

- (i) the closing price of the shares on the Stock Exchange as stated in the Stock Exchange's daily quotation sheets on the date on which the option is offered, which must be a business day;
- (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date as mentioned in (i) above; and
- (iii) the nominal value of the shares.

#### (7) Life of the Scheme

The Scheme shall remain in force for a period of 10 years commencing on 30 October 2001 up to 29 October 2011.

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### OPTIONS GRANTED UNDER THE SHARE OPTION SCHEME

Details of the movements in share options granted under the Scheme during the year were as follows:

Grantee	Date of grant	Exercisable period	Exercise price per share HK\$	Number of shares options					At 31st December 2004
				At 1 January 2004	Granted during the year	Exercised during the year	Cancelled during the year	Lapsed during the year	
<b>Directors</b>									
Yu Kam Kee, Lawrence	21-02-2002	21-02-2002 to 20-02-2012	0.28	24,402,000	—	—	—	—	24,402,000
	03-11-2003	03-11-2003 to 02-11-2013	0.10	35,000,000	—	—	—	—	35,000,000
	26-01-2004	26-01-2004 to 25-01-2014	0.12	—	1,632,000 <sup>1</sup>	—	(1,632,000)	—	—
	24-05-2004	24-05-2004 to 23-05-2014	0.10	—	1,632,000 <sup>3</sup>	—	—	—	1,632,000
Wong Sin Just	21-02-2002	21-02-2002 to 20-02-2012	0.28	24,402,000	—	—	—	—	24,402,000
	03-11-2003	03-11-2003 to 02-11-2013	0.10	35,000,000	—	—	—	—	35,000,000
	26-01-2004	26-01-2004 to 25-01-2014	0.12	—	1,632,000 <sup>1</sup>	—	(1,632,000)	—	—
	24-05-2004	24-05-2004 to 23-05-2014	0.10	—	1,632,000 <sup>3</sup>	—	—	—	1,632,000
Wong Kean Li	21-02-2002	21-02-2002 to 20-02-2012	0.28	6,000,000	—	—	—	—	6,000,000
	03-11-2003	03-11-2003 to 02-11-2013	0.10	35,000,000	—	—	—	—	35,000,000
	26-01-2004	26-01-2004 to 25-01-2014	0.12	—	1,632,000 <sup>1</sup>	—	(1,632,000)	—	—
	24-05-2004	24-05-2004 to 23-05-2014	0.10	—	1,632,000 <sup>3</sup>	—	—	—	1,632,000
Wang Ruiping	21-02-2002	21-02-2002 to 20-02-2012	0.28	15,000,000	—	—	—	—	15,000,000
	03-11-2003	03-11-2003 to 02-11-2013	0.10	35,000,000	—	—	—	—	35,000,000
	26-01-2004	26-01-2004 to 25-01-2014	0.12	—	1,632,000 <sup>1</sup>	—	(1,632,000)	—	—
	24-05-2004	24-05-2004 to 23-05-2014	0.10	—	1,632,000 <sup>3</sup>	—	—	—	1,632,000
Yu Kam Yuen, Lincoln	03-11-2003	03-11-2003 to 02-11-2013	0.10	20,000,000	—	—	—	—	20,000,000
	26-01-2004	26-01-2004 to 25-01-2014	0.12	—	15,000,000 <sup>1</sup>	—	(15,000,000)	—	—
	24-05-2004	24-05-2004 to 23-05-2014	0.10	—	15,000,000 <sup>3</sup>	—	—	—	15,000,000
Lo Wing Yan, William	03-11-2003	03-11-2003 to 02-11-2013	0.10	3,632,000	—	—	—	—	3,632,000
Chan Kai Yu, Rudy	03-11-2003	03-11-2003 to 02-11-2013	0.10	3,632,000	—	—	—	—	3,632,000
<b>Employees</b>									
	21-02-2002	21-02-2002 to 20-02-2012	0.28	14,400,000	—	—	—	(2,600,000)	11,800,000
	03-11-2003	03-11-2003 to 02-11-2013	0.10	39,700,000	—	(2,948,000) <sup>4</sup>	—	(11,504,000)	25,248,000
	26-01-2004	26-01-2004 to 25-01-2014	0.12	—	93,550,000 <sup>1</sup>	—	(91,550,000)	(2,000,000)	—
	24-05-2004	24-05-2004 to 23-05-2014	0.10	—	99,550,000 <sup>3</sup>	—	—	(26,750,000)	72,800,000
<b>Consultants</b>									
	21-02-2002	21-02-2002 to 20-02-2012	0.28	4,000,000	—	—	—	(2,000,000)	2,000,000
	03-11-2003	03-11-2003 to 02-11-2013	0.10	37,000,000	—	(1,250,000) <sup>5</sup>	—	(7,000,000)	28,750,000
	26-01-2004	26-01-2004 to 25-01-2014	0.12	—	185,000,000 <sup>1</sup>	—	(180,000,000)	—	5,000,000
	26-03-2004	26-03-2004 to 25-03-2014	0.12	—	25,000,000 <sup>2</sup>	—	(25,000,000)	—	—
	24-05-2004	24-05-2004 to 23-05-2014	0.10	—	240,000,000 <sup>3</sup>	—	—	—	240,000,000

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### OPTIONS GRANTED UNDER THE SHARE OPTION SCHEME (continued)

Notes:

- (1) At the date immediately before these options were granted, the closing price per share was HK\$0.107.
- (2) At the date immediately before these options were granted, the closing price per share was HK\$0.123.
- (3) At the date immediately before these options were granted, the closing price per share was HK\$0.086.
- (4) The weighted average closing price of the shares immediately before the respective exercise date of the options was HK\$0.115.
- (5) The weighted average closing price of the shares immediately before the respective exercise date of the options was HK\$0.143.
- (6) Options granted to directors are immediately vested on the date of grant.
- (7) Options granted to employees are vested as follows:

<b>Date of grant</b>	<b>Vesting date</b>	<b>No. of share options vested</b>
21-02-2002	21-02-2003	3,600,000
	21-02-2004	3,600,000
	21-02-2005	7,200,000
03-11-2003	03-11-2003	9,925,000
	03-11-2004	9,925,000
	03-11-2005	19,850,000
26-01-2004	26-01-2004	23,387,500
	26-01-2005	23,387,500
	26-01-2006	46,775,000
24-05-2004	24-05-2004	24,887,500
	26-01-2005	24,137,500
	24-05-2005	750,000
	26-01-2006	48,275,000
	24-05-2006	1,500,000

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### OPTIONS GRANTED UNDER THE SHARE OPTION SCHEME (continued)

(8) Options granted to consultants are vested as follows :

Date of grant	Vesting date	No. of share options vested
21-02-2002	03-08-2002	2,000,000
	21-02-2003	500,000
	03-10-2003	1,500,000
03-11-2003	03-11-2003	9,250,000
	03-11-2004	9,250,000
	03-11-2005	18,500,000
26-01-2004	26-01-2004	185,000,000
26-03-2004	26-03-2004	6,250,000
	26-03-2005	6,250,000
	26-03-2006	12,500,000
24-05-2004	24-05-2004	210,000,000
	26-03-2005	10,000,000
	26-03-2006	20,000,000

(9) In assessing the fair value of the share options granted during the year, the Black-Scholes option pricing model (the "Black-Scholes Model") has been used. The Black-Scholes Model is one of the generally accepted methodologies used to calculate the fair value of options and is one of the recommended option pricing models set out in Chapter 17 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The variables of the Black-Scholes Model include expected life of the options, risk-free interest rate, expected volatility and expected dividend rate (if any) of the Company's shares.

The variables of the Black-Scholes Model used in assessing the fair value of the share options granted during the year and the estimated fair values are listed as follows:

Grantee	Grant date	Expected life	Risk-free rate	Expected volatility	Expected dividend yield	Estimated fair value per option HK\$
Directors	26-01-2004	5 years	2.72%	112.41%	0%	0.0948
	24-05-2004	5 years	3.85%	109.51%	0%	0.0683
Employees	26-01-2004	5 years	2.72%	112.41%	0%	0.0948
	24-05-2004	5 years	3.85%	109.51%	0%	0.0683
Consultants	26-01-2004	5 years	2.72%	112.41%	0%	0.0948
	26-03-2004	5 years	2.53%	113.34%	0%	0.0951
	24-05-2004	5 years	3.85%	109.51%	0%	0.0683

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### OPTIONS GRANTED UNDER THE SHARE OPTION SCHEME (continued)

- (a) The expected life is measured from the date of grant (the "Measurement Date").
- (b) The risk-free rate applied to the Black-Scholes Model represents the yield of the Hong Kong Exchange Fund Notes at the Measurement Date corresponding to the expected life of the options as at the Measurement Date.
- (c) The expected volatility used in the calculation is based on the standard deviation of the returns of the daily closing prices of the Company's shares for the last twelve months from the Measurement Date.
- (d) Based on historic pattern, it is assumed that no dividend would be paid out during the expected life of the options.

Using the Black-Scholes Model in assessing the fair value of share options granted during the year, the options would have an aggregate estimated fair value of approximately HK\$55,485,531, calculated as follows:

Grantee	Date of grant	Number of share options granted during the year	Estimated fair value of share options granted during the year HK\$
<b>Directors</b>			
Yu Kam Kee, Lawrence	26-01-2004	1,632,000	154,717
	24-05-2004	1,632,000	111,458
Wong Sin Just	26-01-2004	1,632,000	154,717
	24-05-2004	1,632,000	111,458
Wong Kean Li	26-01-2004	1,632,000	154,717
	24-05-2004	1,632,000	111,458
Wang Ruiping	26-01-2004	1,632,000	154,717
	24-05-2004	1,632,000	111,458
Yu Kam Yuen, Lincoln	26-01-2004	15,000,000	1,422,029
	24-05-2004	15,000,000	1,024,429
<b>Employees</b>	26-01-2004	93,550,000	8,868,718
	24-05-2004	99,550,000	6,798,797
<b>Consultants</b>	26-01-2004	185,000,000	17,538,352
	26-03-2004	25,000,000	2,377,635
	24-05-2004	240,000,000	16,390,871
		Total	<u>55,485,531</u>

Included in the above share options granted during the year are 318,078,000 share options which were subsequently cancelled during the same year. The estimated fair value of these options on the relevant grant dates was HK\$30,161,988.

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### OPTIONS GRANTED UNDER THE SHARE OPTION SCHEME (continued)

In assessing the aggregate estimated fair value of the share options, no adjustment has been made for possible future forfeiture of the options. No charge is recognised in the profit and loss account in respect of the fair value of options granted during the year. At the time when the share options are exercised, share capital will be credited at par for each share issued upon the exercise of share options, with share premium credited at the excess of net proceeds received over total share capital credited.

It should be noted that the value of options calculated using the Black-Scholes Model is based on various assumptions and is only an estimate of the fair value of share options granted during the year. It is possible that the financial benefit accruing to the grantee of an option will be considerably different from the value estimated using the Black-Scholes Model at the Measurement Date.

### SUBSTANTIAL SHAREHOLDER

As at 31 December 2004, the following person had an interest in the shares and underlying shares of the Company as recorded in the register kept under section 336 of the SFO being 5% or more of the issued shares of the Company:

Name of substantial shareholder	Interest in shares	Interest in shares underlying equity derivatives	Approximate percentage of issued shares
E2-Capital (Holdings) Limited (Note 1)	184,500,000	185,454,545 (Note 2)	8.69%

Notes:

- (1) Dato' Wong Sin Just, an executive director of the Company, is also an executive director of E2-Capital (Holdings) Limited.
- (2) This refers to the interest in the underlying shares derived from full conversion of the 5% guaranteed convertible notes in a total principal amount of HK\$19 million issued by SIIS Treasury Limited, a wholly-owned subsidiary of the Company.

At the conversion price of the convertible notes due 2005 has been adjusted from HK\$0.12 per share to HK\$0.11 per share with effect from 28 August 2004, the number of underlying shares involved was adjusted accordingly.

Save as disclosed above, no person (other than directors of the Company as disclosed above) had any interest or short position in any shares or underlying shares of the Company as recorded in the register kept under section 336 of the SFO.

## REPORT OF THE DIRECTORS

### PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

### MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2004:

(A) The percentage of the aggregate amount of purchases attributable to the Group's major suppliers are as follows:

— the largest supplier	14%
— five largest suppliers combined	31%

(B) The aggregate amount of sales attributable to the Group's five largest customers represented less than 35% of the Group's total sales.

None of the directors, their associates or any shareholder (which to the knowledge of the directors owns more than 5% of the Company's share capital) had an interest in the major customers or suppliers noted above.

### CONNECTED TRANSACTION

Pursuant to a tenancy agreement previously entered on 29 August 2002, the Company has leased from Fung Choi Properties Limited ("Fung Choi") the premises as its headquarter office for a term of three years commencing from 1 January 2003 to 31 December 2005 at a monthly rental of HK\$156,255, which was confirmed by an independent property valuer as fair and reasonable when the tenancy agreement was entered into. During the year, rental expense of HK\$1,668,000 was charged to the consolidated profit and loss account. Fung Choi is a company with 60% interest owned indirectly by Mr Yu Kam Kee, Lawrence, an executive director of the Company. Such related party transaction constituted a connected transaction under the Listing Rules, and was thus required to be disclosed in accordance with Chapter 14 of the Listing Rules in force prior to 31 March 2004.

Saved as disclosed above, no contracts of significance in relation to the businesses of the Company and its subsidiaries to which the Company or its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

## REPORT OF THE DIRECTORS

### DIRECTORS' INTEREST IN COMPETING BUSINESSES

During the year and up to the date of this report, the following directors (not including independent non-executive directors) of the Company have interests in the businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group as required to be disclosed pursuant to Rule 8.10(2) of the Listing Rules:

Name of director	Name of company	Nature of competing business	Nature of interest
Wong Sin Just	e2-Capital Venture Ltd.	Venture capital	Director and indirect interest in shares
	Softbank Asia Net-Trans Fund Ltd.	Venture capital	Director
Wong Kean Li	Softbank Asia Net-Trans Fund Ltd.	Venture capital	Director
Wang Ruiping	Softbank Asia Net-Trans Fund Ltd.	Venture capital	Director

Although the companies listed above operate in similar fields as certain divisions of the Company, the board believes that the directors concerned are able to manage any potential conflicts of interests arising from their respective directorships and/or interest in such companies. In addition, the board believes that the key strategic and business policies of such companies are different to those of the Group.

### CORPORATE GOVERNANCE

None of the directors of the Company is aware of any information that would reasonably indicate that the Company is not, or was not, in compliance with the Code of Best Practice as set out in Appendix 14 to the Listing Rules in force prior to the accounting period commencing on 1 January 2005, at any time during the year.

As at 30 September 2004, the Company only had two independent non-executive directors. On 6 October 2004, the third independent non-executive director was appointed to comply with Rules 3.10(1) and 3.19(2) of the Listing Rules.

The Company has received from each of the independent non-executive directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considered them as independent.

The Audit Committee of the Board comprises three independent non-executive directors, namely Dr Lo Wing Yan, William (the chairman), Mr Chan Kai Yu, Rudy and Raja Datuk Karib Shah bin Shahrudin; and one non-executive director, namely Mr Yu Kam Yuen, Lincoln. The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the audited accounts for the year ended 31 December 2004.

The Remuneration Committee comprising two independent non-executive directors, namely Dr Lo Wing Yan, William (the chairman) and Mr Chan Kai Yu, Rudy; and one non-executive director, namely Mr Yu Kam Yuen, Lincoln, has been established by the board on 17 March 2005. The principal duties of the Remuneration Committee include making recommendations to the board on the Company's remuneration policy and determining the remuneration of all executive directors and senior management.

## REPORT OF THE DIRECTORS

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

Throughout the year ended 31 December 2004, the Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix 10 to the Listing Rules (the "Model Code") as its own code of conduct regarding securities transactions by the directors.

Having made specific enquiry of all directors, each of them has complied with the required standard as set out in the Model Code.

### SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this Annual Report.

### AUDITORS

The accounts have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

By Order of the Board

**DATO' WONG SIN JUST** DIMP

*Chairman of the meeting*

Hong Kong, 17 March 2005