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## **SHARE OPTION**

In May, 2003, the Company adopted a new Share Option Scheme (the "Scheme") in order to comply with the new requirements of Chapter 17 of the Listing Rules effective from September 1, 2001.

No share option was granted to or exercised by any director of the Company since the adoption of the Scheme. There are no share options outstanding at June 30, 2005.

## **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 June 30, 2005.

## **CORPORATE GOVERNANCE**

The Company has complied with the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules throughout the six months ended June 30, 2005 except the following deviations:

1. The Board is in the process of defining the composition and terms of reference of the Remuneration Committee. It is expected that such process will be completed by the end of December, 2005 where a board meeting is scheduled.
2. The Group will release a memorandum to all of its employees to provide guidelines and procedures in respect of their dealings in the shares of the Company by the end of September, 2005.
3. The Board is in the process of defining the schedule of matters specially reserved to the Board for its decision. It is expected that such process will be completed by the end of September, 2005.