



However, in accordance with bye-law 110(A) of the Bye-laws of the Company, Mr. Charles Yeung, the Chairman of the Board of Directors of the Company (the "Board"), shall not be subject to retirement by rotation. The Board considered that due to the fact that Mr. Charles Yeung is the founder of the Group, he is eligible for being the Chairman of the Board during his lifetime and need not be subject to retirement by rotation.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirmed that during the six months ended 30 June 2005, all Directors have complied with the required standard set out in the Model Code.

AUDIT COMMITTEE

The Company's audit committee is composed of three independent non-executive Directors of the Company, Mr. Wong Man Kong, Peter, JP, Mr. Lau Hon Chuen, Ambrose, JP and Mr. Chung Shui Ming, Timpson, JP. The audit committee has reviewed the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the interim report of the Company for the six months ended 30 June 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 30 June 2005.

By Order of the Board
Charles Yeung, JP
Chairman

Hong Kong, 1 September 2005



