

EMPLOYEE

As at 30 June 2005, the Group employed a qualified accountant and basic salary and mandatory provident fund scheme are provided to the employee.

AUDIT COMMITTEE

The Audit Committee comprises three independent Non-executive Directors. This Committee acts in an advisory capacity and makes recommendations to the Board. It met on 13 September 2005 to review the Group's 2005 interim results before it was tabled for the Board's approval.

REMUNERATION COMMITTEE

The Remuneration Committee is headed by Mr. Liu Xiao Guang, the Chairman of the Board. The other members of the Remuneration Committee are the three independent Non-executive Directors, Mr. To Chun Kei, Mr. Fung Tze Wa and Mr. Kwong Chun Wai Michael.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of its listed securities during the period from 1 January 2005 to 30 June 2005.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

Throughout the six months ended 30 June 2005, the Company has complied with all the code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") except that Non-executive Directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election at the Company's annual general meetings and that the Chairman of the Board did not attend the annual general meeting of the Company held on 26 May 2005.