

## EMPLOYEES

At 30 September 2005, the Group employed 2,386 employees. Remuneration for employees including medical benefits is determined based on industry practice, performance and working experience of the employees, and the current market conditions. The Group has implemented a training scheme to nurture a new generation of journalists.

## EXPOSURE TO FOREIGN EXCHANGE

The revenue of the Group is mainly denominated in Hong Kong dollars and the production cost is denominated in HK and US dollars, therefore the Group is not exposed to any foreign currency exchange risk provided Hong Kong's pegged exchange rate system remains unchanged.

## CORPORATE GOVERNANCE

The Audit Committee of the Company has reviewed with the statutory auditors of the Group the unaudited interim financial statements for the six months ended 30 September 2005.

The Remuneration Committee of the Company comprises two independent non-executive directors. They are responsible to the Board for setting policy on the Group's emoluments and for considering and reviewing the remuneration packages of all directors and senior management.

The Company has complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules on the Stock Exchange throughout the six months ended 30 September 2005 save that the non-executive directors are not appointed for a specific term of office.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

During the period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's securities.

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS

At 30 September 2005, the Directors, the chief executive and their respective associates had interests in the shares and underlying shares of the Company as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("SFO") as follows:

### Interests in the Company

Name of Director	Capacity	Personal Interests	Number of Ordinary Shares			Total	Percentage of Shareholding
			Family Interests	Corporate Interests	Other Interests		
Ching-fat MA	Trustee of a discretionary trust	-	-	-	1,375,045,800 <i>(Note)</i>	1,375,045,800	57.34%
Ching-choi MA	One of the beneficiaries of a discretionary trust	-	-	-	1,375,045,800 <i>(Note)</i>	1,375,045,800	57.34%
Shun-chuen LAM	Founder of a discretionary trust	-	-	-	1,375,045,800 <i>(Note)</i>	1,375,045,800	57.34%
Siu-leun CHAM	Beneficial owner	165,000	-	-	-	165,000	0.01%

*Note:* Such 1,375,045,800 shares are held by Ever Holdings Limited (holding 84,281,880 shares), Tarbela Company Limited (holding 681,037,500 shares), Tarboca Company Limited (holding 360,328,020 shares) and Sermost Limited (holding 249,398,400 shares). Tarbela Company Limited, Tarboca Company Limited and Sermost Limited are the wholly owned subsidiaries of Ever Holdings Limited; Ever Holdings Limited is the wholly owned subsidiary of Magicway Investment Limited; Magicway Investment Limited is the wholly owned subsidiary of Wonderful Star Limited and Wonderful Star Limited is the wholly owned subsidiary of Ma's Holdings Limited. Ma's Family Trust, a discretionary trust, is the sole beneficial owner of Ma's Holdings Limited. Mr. Ching-fat MA, being the trustee of Ma's Family Trust, Mr Ching-choi MA, being one of the beneficiaries of Ma's Family Trust and Mr. Shun-chuen LAM, being the founder, are taken to be interested in the shares of the Company and thus are taken to be interested in those 1,375,045,800 shares held by the above-mentioned companies.

Other than the holdings disclosed above, no interests and short positions were held or deemed or taken to be held under Part XV of the SFO by any director or chief executive of the Company or their respective associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or pursuant to the Model Code for Securities Transactions by Directors of Listed Companies or which are required pursuant to Section 352 of the SFO to be entered in the register referred to therein. None of the Directors and the chief executive had, as at 30 September 2005, any interest in, or had been granted any right to subscribe for the securities and options of the Company and its above-mentioned associated corporations, or had exercised any such rights.

## **DISCLOSABLE INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS UNDER THE SFO**

At 30 September 2005, shareholders (other than directors or chief executive of the Company) who had interests in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

### **Interests in the Company**

<b>Name</b>	<b>Capacity</b>	<b>Number of Ordinary Shares</b>	<b>Percentage of Shareholding</b>
Ma's Holdings Limited	Interest of controlled corporations	1,375,045,800 (Note)	57.34%
Wonderful Star Limited	Interest of controlled corporations	1,375,045,800 (Note)	57.34%
Magicway Investment Limited	Interest of controlled corporations	1,375,045,800 (Note)	57.34%
Ever Holdings Limited	Beneficial owner and interest of controlled corporations	1,375,045,800 (Note)	57.34%