

Save as disclosed above, as at 30 September 2005, no person, other than the directors of the Company, whose interests are set out in the section “Directors’ interests in shares” above, had registered an interest or short positions in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

During the Period, neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities.

AUDIT COMMITTEE

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the unaudited interim financial statements for the Period with management.

REMUNERATION COMMITTEE

A remuneration committee was set up on 19 December 2005 for the main purpose of making recommendations to the Directors about the Company’s policy and structure for all remuneration of directors and senior managements.

EXECUTIVE COMMITTEE

An executive committee which comprises of all the executive Directors (except Mr. Lee Ka Yue, Peter) was set up on 19 December 2005, with the principal responsibilities of monitoring the execution of the Company’s strategic plans and operations of all business units of the Company.

CODE OF CORPORATE GOVERNANCE PRACTICES

In the opinion of the Directors, the Company complied with the code provisions as set out in Appendix 14 of the Main Board Listing Rules (“Code”) throughout the accounting period covered by this interim report, except for the following deviations:

Code A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Ling Siu Man, Simon, the founder of the Group continues to assume the role of chairman and chief executive officer. The Group believes that the present arrangement is more effective and efficient in running the business and could bring about the best interest of the shareholders.

Code A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election. The existing non-executive Directors of the Company, except for Mr. Cheng Tsang Wai being an independent non-executive Director of the Company, do not have a specific term of appointment. However, non-executive Directors are subject to the requirement to retire by rotation at annual general meetings under the Company's Articles of Association accomplishing the same objective as a specific term of appointment.

Code A.4.2 stipulates that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. According to Article 116 of the Articles of Association of the Company, at each annual general meeting, the number nearest to but not less than one-third of the Directors (other than the Chairman or the Managing Director or Joint Managing Director) for the time being shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. Mr. Ling Siu Man, Simon, is not subject to retirement by rotation pursuant to the said Article 116.

Code A.5.4 stipulates that the Board should establish written guidelines on no less exacting terms than the Model Code for relevant employees in respect of their dealings in the securities of the issuer. The aforesaid written guidelines were established by the Directors on 19 December 2005.

Code B.1.1 stipulates that the Company should establish a remuneration committee with specific written terms of reference. A remuneration committee was set up on 19 December 2005 in order to comply with the Code B.1.1. Terms of reference of the remuneration committee will be posted on the Company's website.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted its code of conduct regarding the Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code as then in force, and after having made specific enquiry to all of the Directors, the Directors are satisfied that the required standard set out in the Model Code and its code of conduct regarding the Directors' securities transactions have been fully complied with, throughout the accounting period covered by the interim report.

On behalf of the Board
LING Siu Man, Simon
Chairman & Managing Director

Hong Kong, 19 December 2005