



SHARE OPTION SCHEMES *(Continued)*

Notes:

1. The exercise price had been adjusted after the completion of Rights Issue on 9 March 2005.
2. The vesting period of the outstanding share options granted under the Existing Option Scheme on 1 March 2005 had been changed from “1 March 2005 to 28 February 2007” to “1 March 2005 to 31 August 2005” in accordance with the provisions of the Existing Option Scheme.

No share options were granted or exercised during the period.

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 September 2005.

CORPORATE GOVERNANCE

None of the Directors of the Company is aware of information that would reasonably indicate that the Company is, or was not during the six months ended 30 September 2005, in compliance with the Code on Corporate Governance Practices (the “CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”), except for the code provision C.2 on internal controls (which is applicable to the accounting periods commencing on or after 1 July 2005) and the following deviations from the code provisions A.4.1, A.4.2 and E.1.2:

Code Provision A.4.1

Non-executive directors (including independent non-executive directors) of the Company were not appointed for specific terms since they are subject to retirement by rotation and re-election at the annual general meeting in accordance with the Company's Bye-laws. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the CG Code.



CORPORATE GOVERNANCE *(Continued)*

Code Provision A.4.2

Prior to the annual general meeting held on 8 September 2005 (“AGM”), Directors of the Company were not required to retire by rotation at least once every three years. To comply with this code provision A.4.2, the amendments to the Company’s Bye-laws were approved by the shareholders at the AGM to provide, inter alia, that every director shall be subject to retirement by rotation at least once every three years.

Code Provision E.1.2

The Chairman of the Board did not attend the annual general meeting of the Company held on 8 September 2005 because of an unexpected urgent business engagement.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies (the “Model Code”) set out in Appendix 10 of the Listing Rules as its own code of conduct regarding Directors’ securities transactions. The Company confirms that, having made specific enquiry of all Directors, the Directors have complied with the required standard set out in the Model Code for the period ended 30 September 2005.

DISCLOSURE PURSUANT TO CHAPTER 13 OF THE LISTING RULES

As at 30 September 2005, there were 494,872,087 shares of the Company (the “Shares”) in issue. Based on the average closing price of the Shares of HK\$0.266 as stated in daily quotation sheets of The Stock Exchange of Hong Kong Limited for the 5 trading days immediately preceding 30 September 2005, the total market capitalisation (the “Total Market Capitalisation”) of the Company was HK\$131,635,975.