

As at 30 June 2005, the Group's debt ratio, which was calculated as a ratio of current liabilities plus non-current liabilities to total equity, was 0.30 which has no material change with that of the last financial year end.

For the six months ended in 30 June 2005, most assets, liabilities and transactions of the Group are denominated in Renminbi in ("RMB"), Hong Kong Dollars ("HKD") and Malaysian Ringgit ("MYR"). In view of the currency stability on RMB and MYR, they did not have a significant impact on the performance of the Group. Hence, the Group had not entered into any instruments on the foreign exchange exposure. The Group will closely monitor exchange rate movement and will take appropriate active to reduce the exchange risks.

Employees and Remuneration Policy

As at 30 June 2005, the Group has a total of 6 employees located in Hong Kong and Malaysia. They are remunerated according to the nature of the job market trends, with built-in merit components incorporated in annual review to reward and motivate individual performance.

Material Acquisitions and Disposals of Investments

During the six months ended 30 June 2005, there were no material acquisitions or disposals of subsidiaries or affiliated companies.

Directors' and Chief Executives' Interest and Short Position in Shares

At 30 June 2005, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register required to be kept under Section 352 of the SFO or as notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the