



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

During the six months ended 30 June 2006, the Company had not redeemed, and neither the Company nor any of its subsidiaries had purchased or sold, any of the Company's listed securities.

AUDIT COMMITTEE

The Audit Committee, which comprises three independent non-executive directors; Rodney Cone, Valarie Fong, and Lara Lai, has reviewed the interim financial report of the Company and the auditors' independent review report for the six months ended 30 June 2006 and submitted its views to the Board of Directors. The Audit Committee has also endorsed the accounting treatment adopted by the Company.

The interim financial report for the six months ended 30 June 2006 is unaudited, but has been reviewed in accordance with Statement of Auditing Standards 700 "Engagements to review interim financial reports," issued by the Hong Kong Institute of Certified Public Accountants, by KPMG, whose unmodified review report is included in the interim report to be sent to shareholders.

CORPORATE GOVERNANCE

The Company has complied with the Code on Corporate Governance Practices as set out in Appendix 14 of the Rules Governing the Listing of Securities of the Stock Exchange of Hong Kong Limited ("the Listing Rules") throughout the first half of 2006.

The Company has adopted the Model Code for securities transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. The Company has made specific inquiry of all directors regarding non-compliance with the Model Code for the period ended 30 June 2006, and they have all confirmed that they have complied with the required standard set out in the Model Code and its code of conduct regarding directors' security transactions.