

## **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.

## **CODE OF CORPORATE GOVERNANCE PRACTICES**

The Group is committed to ensure a high standard of corporate governance. For the six months ended 30 September 2006, the Group has applied the principles and complied with the requirements set out in the Code on Corporate Governance Practices ("CG Code") contained in Appendix 14 of the Listing Rules, with a deviation from CG Code A.4.2 in respect of retirement of Directors by rotation at least once every three years. The Group's compliance with the provisions and recommended best practices of the CG Code together with reasons for any deviations are set out in the Corporate Governance Report contained in the Company's 2006 Annual Report issued in July 2006 except the following Code Provision A.2.1 has been changed during the Period.

Code Provision A.2.1 stipulates that the roles of Chairman and Chief Executive Officer should be separated and should not be performed by the same individual. With effect from 1 October 2006, Mr. Ling Siu Man, Simon had tendered his resignation as Managing Director of the Company and Mr. Liu Hoi Keung, Gary was appointed as the Chief Executive Officer of the Company. Mr. Ling remains as Chairman of the Board of the Company and continues to be involved in the business development of the Company.