
THE HONG KONG PARKVIEW GROUP LTD.

Interim Report 2006-2007

REMUNERATION COMMITTEE

The remuneration committee was established on 9th June, 2006 with written terms of reference. The remuneration committee comprises Mr. Wong Kin Wah, George (Chairman), an executive director and Mr. Lau Hon Chuen, Ambrose, *G.B.S., J.P.* and Mr. Lam Kin Ming, Lawrence, both of whom are independent non-executive directors, and is responsible for reviewing and evaluating the remuneration policies of directors and senior management and making recommendations to the Board from time to time.

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

During the six months ended 30th September, 2006, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's listed securities.

CORPORATE GOVERNANCE

At the annual general meeting of the Company held on 25th August, 2006, resolutions were passed to amend the Bye-laws of the Company to bring them in line with the requirements under the Code of Corporate Governance Practices (the "Code") set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

In the opinion of the Directors, the Company has complied throughout the six months ended 30th September, 2006 with the Code, with the exception of the following:

1. Code provision A.4.1 requires that independent non-executive directors should be appointed for a specific term and subject to re-election. Currently the Company has three independent non-executive directors. Two independent non-executive directors, Mr. Wu Kwok Cheung and Mr. Lau Hon Chuen, Ambrose, *G.B.S., J.P.* appointed during the period under review, were appointed for terms of one year and three years respectively in compliance with the code provision. The third independent non-executive director, Mr. Lam Kin Ming, Lawrence, who was appointed in 2005, was not appointed for a specific term as this was not a specific requirement of the Bye-laws of the Company at that time. Nevertheless, all independent non-executive directors are subject to retirement by rotation in accordance with the Bye-laws of the Company. Mr. Lam Kin Ming, Lawrence, is scheduled to retire by rotation at the forthcoming annual general meeting, following which all independent non-executive directors will be appointed for a specific term in the future so as to comply with the Code.
2. Under the code provision B.1.1, the company should establish a remuneration committee with specific written terms of reference which deal clearly with its authority and duties. The Company did not previously have a remuneration committee but established one on 9th June, 2006 to comply with the Code; and
3. To replace the vacancy that arose from the passing away of Mr. Ma Chi Man, an independent non-executive director and a member of the audit committee of the Company, the Company has appointed Mr. Wu Kwok Cheung on 28th August, 2006 to comply with the requirements as set out under Rules 3.10(1) and 3.21 of the Listing Rules.