

## BUSINESS PROSPECTS

In addition to the existing principal business of the trading of securities, provision of finance, property holding and investment holding, the Group has expanded its financial coverage during the period through the acquisition of further interest in a financial services group, Hennabun Management International Limited ("HMIL"), which will become a subsidiary of the Company after completion of the necessary procedures and approval by the regulatory bodies. HMIL, through its subsidiaries, is engaged in investment holding, provision of financial services including securities brokerage, commodity trading, money lending, margin financing and corporate finance advisory as well as proprietary trading and direct investment.

Recently, after 30th September, 2006, the Group has further expanded to the insurance service business through its recent acquisition of Cinergy Holdings Limited. By leveraging on the extensive experience of our new Chairman, Mr. Yang Fan Shing, Andrew, in the insurance business, the Group and Mr. Yang will use their respective reasonable endeavours to expand the existing business of Cinergy Holdings Limited and subject to the regulatory requirements and approvals to set up a life insurance company authorized to conduct long term business in Hong Kong. The Group is of the view that the investment in the insurance business will provide a valuable opportunity for the Group to expand our business base and achieve a high potential of growth in our revenue.

## EMPLOYEES AND REMUNERATION POLICY

As 30th September, 2006, the Group employed about 20 staff members including directors of the Company. Staff costs incurred for the period, including directors' remuneration, were HK\$3,755,000 (1.4.2005 to 30.9.2005: HK\$3,072,000).

It is the remuneration policy of the Group to reward its employees with reference to their qualifications, experience and work performance as well as to market benchmarks. Remuneration packages, including the grant of share options, are structured to motivate individual performance and contributions to the Group.