

EMPLOYEES AND REMUNERATION POLICIES

As at 30th June, 2004, the Group employed a total of 8 full-time employees, including the directors of the Group. Employees' remuneration are fixed and determined with reference to the market remuneration.

DETAILS OF THE CHARGES ON GROUP ASSETS

Pursuant to a banking facility agreement between the Group and a bank, the Group can pledge its listed securities to the bank for a loan up to 20% of the market value of the pledged securities.

As at 30th June, 2004, the Group's other investments with an aggregate market value of HK\$17,592,500 were pledged to a bank for the banking facility. In addition, a subsidiary has issued convertible bonds of HK\$10,000,000 in 2000 with a floating charge on the subsidiary's assets.

EXPOSURES TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Group has no significant exposures to fluctuations in foreign exchange rates and, therefore, did not employ any financial instruments to hedge such exposures.

CONTINGENT LIABILITIES

As at 30th June, 2004, the Group has no significant contingent liabilities.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company did not redeem any of its shares during the period ended 30th June, 2004. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the period.