

## **PURCHASE, SALE, REDEMPTION AND CANCELLATION OF THE COMPANY'S SECURITIES**

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Neither the Company nor any of its subsidiaries purchased, sold, redeemed or cancelled any of the Company's listed securities during the period.

## **AUDIT COMMITTEE**

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The Audit Committee engaged the auditors of the Company to assist in its review of the 2004 interim results of the Company and the auditors conducted their review in accordance with Hong Kong Statement of Auditing Standards 700 "Engagements to Review Interim Financial Reports" issued by the Hong Kong Institute of Certified Public Accountants. A meeting of the Audit Committee was held on 13 September 2004 with the auditors for, amongst other things, reviewing the interim results of the Company for the period ended 30 June 2004.

## **CODE OF BEST PRACTICE**

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In the opinion of the Directors, the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules throughout the six months ended 30 June 2004 except that the independent non-executive directors of the Company are not appointed for specific terms but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's bye-laws.

## **APPRECIATION**

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The Board of Directors would also like to take opportunity to express our gratitude to our shareholders for their continued support, and to all our staff for their dedication and hard work.

By order of the Board of Directors

**Cao Zhong**  
*Vice-Chairman*

Hong Kong, 20 September, 2004

