

SHARE OPTION SCHEME

The share option scheme adopted by the Company on 1 July 1991 ("Old Scheme") expired on 30 June 2001. No options granted under the Old Scheme are outstanding. Due to the expiration of the Old Scheme and to comply with Chapter 17 (Equity Securities – Share Option Schemes) of the Listing Rules, the Company adopted a new share option scheme ("New Scheme") as approved by the shareholders at the Special General Meeting on 7 November 2003.

Particulars of outstanding options at the beginning and at the end of the financial period for the six months ended 30 September 2004 and options granted, exercised, cancelled and lapsed during the period under the New Scheme were as follows:

Participants	Date of Grant	Options held at 1 April 2004	Options exercised during the period	Options held at 30 September 2004	Exercise price per Share HK\$	Exercisable from	Exercisable until
Directors							
Budiman RAHARDJA	18 Dec 2003	3,305,000	Nil	3,305,000	0.106	18 Dec 2003	17 Dec 2013
	18 Dec 2003	3,305,000	Nil	3,305,000	0.106	18 Dec 2004	17 Dec 2014
	18 Dec 2003	3,305,000	Nil	3,305,000	0.106	18 Dec 2005	17 Dec 2015
KWAN Kei Chor, Samuel	18 Dec 2003	1,322,000	Nil	1,322,000	0.106	18 Dec 2003	17 Dec 2013
	18 Dec 2003	1,322,000	Nil	1,322,000	0.106	18 Dec 2004	17 Dec 2014
	18 Dec 2003	1,322,000	Nil	1,322,000	0.106	18 Dec 2005	17 Dec 2015
LOYuk Lam	18 Dec 2003	330,000	Nil	330,000	0.106	18 Dec 2003	17 Dec 2013
	18 Dec 2003	330,000	Nil	330,000	0.106	18 Dec 2004	17 Dec 2014
	18 Dec 2003	330,000	Nil	330,000	0.106	18 Dec 2005	17 Dec 2015
WONG Kam Wah	18 Dec 2003	330,000	Nil	330,000	0.106	18 Dec 2003	17 Dec 2013
	18 Dec 2003	330,000	Nil	330,000	0.106	18 Dec 2004	17 Dec 2014
	18 Dec 2003	330,000	Nil	330,000	0.106	18 Dec 2005	17 Dec 2015
Employees	18 Dec 2003	2,379,000	Nil	2,379,000	0.106	18 Dec 2003	17 Dec 2013
	18 Dec 2003	2,379,000	Nil	2,379,000	0.106	18 Dec 2004	17 Dec 2014
	18 Dec 2003	2,379,000	Nil	2,379,000	0.106	18 Dec 2005	17 Dec 2015
Total		<u>22,998,000</u>		<u>22,998,000</u>			

No option was granted or cancelled or lapsed under the New Scheme during the period.

AUDIT COMMITTEE

The Audit Committee has reviewed with the management 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 results for the six months ended 30 September 2004.

CODE OF BEST PRACTICE

During the six months ended 30 September 2004, none of the directors is aware of information that would reasonably indicate that the Company was not in compliance with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

There was no purchase, sale or redemption by the Company or any of its subsidiaries of its shares during the six months ended 30 September 2004.

CHANGE IN DIRECTORATE

Ms. CHEN Lee Mui resigned as a non-executive director of the Company on 1 April 2004.

The directors would like to express their sincere gratitude to Ms. Chen for her valuable contribution and support to the Group during her term of office.

By order of the Board
KWAN Kei Chor, Samuel
Director

Hong Kong, 17 December 2004