

DIRECTORS' INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at September 30, 2004, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") were as follows:

Shares of the Company

Name of Director	Personal Interests	Number of Ordinary Shares Held			Total Interests
		Family Interests	Other Interests		
Fung Wing Mou Bernard	4,500,000	–	198,185,303 (Note 1)	202,685,303 (L) (Note 2)	

Notes:

- (1) 198,185,303 shares are owned by Turbo Act International Limited, a company in which Mr. Fung Wing Mou, Bernard has beneficial interests.
- (2) The letter "(L)" denotes a long position in the shares of the Company.

As at September 30, 2004, save as disclosed above and other than certain nominee shares in subsidiaries held by the directors in trust for the Company, none of the directors or chief executive of the Company or any of their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS

As at September 30, 2004, the following shareholders had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of Shareholder	Number of Ordinary Shares Held	Number and Description of Equity Derivatives	Number of Underlying Shares	Percentage of Issued Share Capital of the Company
Turbo Act International Limited	198,185,303	-	-	21.40%
Mok Yu Hon	110,000,000	-	-	11.88%
Wisdom Top International Limited	77,142,857 (Note 1)	-	-	8.33%
C G C Fashion Company Limited	71,322,857 (Note 2)	-	-	7.70%

Notes:

- (1) Wisdom Top International Limited is a company incorporated in Hong Kong with limited liability whose entire issued share capital is ultimately owned by Mr. Wang Dian.
- (2) C G C Fashion Company Limited is a company incorporated in Hong Kong with limited liability whose entire issued share capital is ultimately owned by Mr. Kau Ka Keung.

Save as disclosed above, as at September 30, 2004, the directors of the Company were not aware of any other person who had an interest or short positions in the shares or underlying shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

MAJOR TRADE DEBTORS

Included in trade and other receivables as at September 30, 2004 were the amounts due from The Government of the Hong Kong Special Administrative Region and Hong Kong Housing Authority of approximately HK\$281 million and HK\$90 million respectively in connection with contract work carried out during the normal courses of construction business. The amounts were unsecured, interest-free and repayable in accordance with the terms of the construction contracts.

EMPLOYEES

The Group currently employs a total of 380 staff in Hong Kong.

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

During the six months ended September 30, 2004, there was no purchase, sale or redemption by the Company or any of its subsidiary companies of the Company's listed securities.

AUDIT COMMITTEE

The Audit Committee of the Group was established in accordance with the requirements of the Code of Best Practice and with reference to "A Guide for the Formation of an Audit Committee" issued by the Hong Kong Institute of Certified Public Accountants.

Following the resignation of Mr. Shum Man Ching as an Independent Non-executive Director of the Company and as a member of the Audit Committee with effect from October 8, 2004, the number of independent non-executive directors and audit committee members has fallen below the minimum number required under Rule 3.10(1) and Rule 3.21 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") respectively. In order to comply with the Listing Rules, the Company will appoint the third independent non-executive director and an additional audit committee member as soon as possible and further announcement will be made when the third independent non-executive director has been appointed.

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including a review of the interim report for the six months ended September 30, 2004.

At the request of the Directors, the Group's external auditors have carried out a review of the unaudited interim financial statements in accordance with the Statement of Auditing Standards No. 700 "Engagement to review interim financial reports" issued by the Hong Kong Institute of Certified Public Accountants.

CODE OF BEST PRACTICE

None of the Directors is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the six months ended September 30, 2004, in compliance with the Code of Best Practice as set out in Appendix 14 of the Listing Rules.

PUBLICATION OF INTERIM REPORT ON THE WEBSITE OF THE STOCK EXCHANGE

The Company's interim report containing all information required by paragraphs 46(1) to 46(6) of Appendix 16 of the Listing Rules (in force prior to March 31, 2004, which remain applicable to results announcement in respect of accounting periods commencing before July 1, 2004 under the transitional arrangements) will be published on the website of the Stock Exchange in due course.

APPRECIATION

On behalf of the Directors, I would like to extend our gratitude and sincere appreciation to all management and staff members for their hard work and dedication and the Company's shareholders for their support.

On behalf of the Board
Leung Chi Ching, Frederick
Executive Director

Hong Kong, December 17, 2004