
Directors' Report

The Directors present their annual report and the audited financial statements for the year ended 31st December, 2005.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of its principal subsidiaries, associates and principal jointly controlled entities are set out in notes 54, 25 and 26 to the financial statements respectively.

An analysis of the Group's performance for the year by business and geographical segments is set out in note 8 to the financial statements.

CUSTOMERS AND SUPPLIERS

For the year ended 31st December, 2005, the five largest customers of the Group together accounted for approximately 87% of the Group's turnover, with the largest customer accounted for 60%, and the five largest suppliers of the Group together represented less than 8% by value of the Group's total purchases.

None of the Directors, or any of their associates, or any shareholders which, to the knowledge of the Directors owned more than 5% of the Company's share capital, had any beneficial interests in the Group's five largest customers as mentioned in the preceding paragraph.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31st December, 2005 are set out in the consolidated income statement on page 41.

An interim dividend of HK6 cents per share was paid to shareholders during the year. The Directors now recommend the payment of a final dividend of HK9 cents per share payable to shareholders whose names appear in the Register of Members of the Company on 12th May, 2006. The amounts of dividends paid and dividends proposed for the year are set out in note 17 to the financial statements.

RESERVES

Details of movements in the reserves of the Group for the year are set out in the consolidated statement of changes in equity on page 44.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years/period is set out on pages 108 to 109.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 19 to the financial statements.

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the share capital and share options of the Company are set out in notes 44 and 45 to the financial statements respectively.

During the year, there was no movement in the share capital of the Company.

CONNECTED TRANSACTION

On 15th March, 2004, the Company adopted the staff share purchasing scheme (the "Staff Share Purchasing Scheme"). Pursuant to which the Company through its wholly owned subsidiary might grant the purchase rights (the "Purchase Rights") to the eligible participants (the "Eligible Participants") being any employee, executive or officer of the members of the Group and Kier HK, a subsidiary of the Group (formerly an associate of the Group), to purchase shares in the share capital of Build King ("Build King Shares") at the purchase price of HK\$0.006 per share from the Company subject to the completion (the "Completion") of the restructuring proposal of Build King. The grant of the Purchase Rights to the Eligible Participants including directors of any member of the Group constitutes a connected transaction of the Company.

The purpose of the Staff Share Purchasing Scheme was to provide incentive to employees, executives or officers of the members of the Group and Kier HK whose contributions would be of paramount importance to the success of the Company, Build King and their subsidiaries as a result of their efforts after the Completion. The principal terms of the Staff Share Purchasing Scheme were disclosed in the Company's announcement dated 15th March, 2004.

Upon the Completion on 23rd April, 2004, the Purchase Rights for the acquisition of an aggregate of 1,063,160,000 Build King Shares, of which 705,320,000 Build King Shares granted to the directors of the members of the Group and 357,840,000 Build King Shares granted to other Eligible Participants, had been granted by the Company for an aggregate consideration of HK\$430.

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CONNECTED TRANSACTION (Continued)

At the special general meeting of Build King held on 23rd July, 2004, approval had been obtained from the shareholders of Build King in respect of share consolidation (on the basis that every ten shares of HK\$0.01 each in the issued and unissued share capital of Build King were consolidated into one share of HK\$0.10 each ("New Build King Shares")). Accordingly, the Purchase Rights for the acquisition of the shares in Build King had been adjusted from 1,063,160,000 Build King Shares at the purchase price of HK\$0.006 per share to 106,316,000 New Build King Shares at the purchase price of HK\$0.06 per share (the "Purchase Price").

A summary of movements of the Purchase Rights for the acquisition of New Build King Shares under the Staff Share Purchasing Scheme during the year was as follows:

Name	Nature of interest	Balance of New Build King Shares at 1.1.2005 to be delivered upon full payment of the Purchase Price (Note 1)	New Build King Shares delivered upon full payment of the Purchase Price during the year	The Purchase Rights lapsed during the year	Other changes (Note 2)	Balance of New Build King Shares at 31.12.2005 to be delivered upon full payment of the Purchase Price (Note 1)	Percentage of New Build King Shares to be delivered over the issued ordinary share capital of Build King (Note 3)
Director							
Zen Wei Pao, William	Personal	10,000,000	—	—	—	10,000,000	1.28%
Zen Wei Peu, Derek	Personal	20,000,000	—	—	—	20,000,000	2.56%
Chiu Wai Yee, Anriena	Personal	—	—	—	837,000	837,000	0.11%
Fong Shiu Leung, Keter	Personal	5,000,000	(5,000,000)	—	—	—	—
Directors of subsidiaries of the Group	Personal	19,326,000	(17,666,000)	—	—	1,660,000	0.21%
Sub-total		54,326,000	(22,666,000)	—	837,000	32,497,000	4.16%
Others							
Employees	Personal	25,124,000	(15,450,000)	—	(837,000)	8,837,000	1.13%
Sub-total		25,124,000	(15,450,000)	—	(837,000)	8,837,000	1.13%
Total		79,450,000	(38,116,000)	—	—	41,334,000	5.29%

CONNECTED TRANSACTION *(Continued)*

Notes:

1. 50% of the Purchase Price has been paid by the Eligible Participants and the New Build King Shares will be delivered to them upon their payment of the remaining balance of the Purchase Price payable on or before the second anniversary of 27th April, 2004, being the date on which Build King Shares had resumed trading on the Stock Exchange, as per the terms and conditions stipulated under the Staff Share Purchasing Scheme.
2. During the year, Miss Chiu Wai Yee, Anriena, who held the Purchase Rights to acquire 837,000 New Build King Shares, was appointed as an Executive Director of the Company.
3. As at 31st December, 2005, the issued ordinary share capital of Build King was 781,408,494 shares.

POSSIBLE CONTINUING CONNECTED TRANSACTIONS

Upon the Completion on 23rd April, 2004, Build King became a non-wholly owned subsidiary of the Company and therefore the Company became a connected person of Build King under the Listing Rules.

On 19th May, 2004, the Company and Build King entered into the master agreement (the "Agreement"), pursuant to which the Group agreed to provide indemnities and guarantees for construction contracts and the guarantees for banking facilities (the "Possible Continuing Connected Transactions") in favour of third parties in respect of the obligations of Top Tactic Holdings Limited and its subsidiaries (collectively "Top Tactic Group") which are all subsidiaries of Build King from 23rd April, 2004 to 31st December, 2006. In return, the Group would charge the Top Tactic Group corporate guarantee fees based on normal commercial terms.

The Company had proposed to set caps (the "Proposed Caps") in respect of each of the Possible Continuing Connected Transactions over three financial years ending 31st December, 2006:

- (a) In respect of the guarantee, undertaking or indemnity providing for liabilities of members of the Top Tactic Group to independent employers of or partners in projects undertaken by members of the Top Tactic Group, there would be no cap on liability provided that the contract sum of each project should not exceed HK\$1 billion and the total contract sum of all projects awarded after 23rd April, 2004 should not exceed HK\$5 billion, for each of the three financial years ending 31st December, 2006;
- (b) In respect of the guarantee to financial institutions which provide performance and/or tender bonds for projects undertaken by members of the Top Tactic Group, the bond sum issued after 23rd April, 2004 would not exceed a maximum amount of HK\$200 million, for each of the three financial years ending 31st December, 2006; and

POSSIBLE CONTINUING CONNECTED TRANSACTIONS *(Continued)*

- (c) In respect of the guarantee in support of banking facilities (loans or overdrafts) extended to members of the Top Tactic Group, the banking facilities would not exceed a maximum amount of liability of HK\$100 million, for each of the three financial years ending 31st December, 2006.

The Agreement and the Proposed Caps were approved by the independent shareholders of the Company at the special general meeting of the Company held on 21st June, 2004.

As at 31st December, 2005, the aggregate direct interests of Messrs. Zen Wei Pao, William and Zen Wei Peu, Derek, both of whom are Directors of the Company, were below 10% of the issued ordinary share capital of Build King. As such, Build King was not considered as a connected person of the Company under Chapter 14A of the Listing Rules.

On 16th January, 2006, the aggregate direct interests of Messrs. Zen Wei Pao, William and Zen Wei Peu, Derek had surpassed 10% of the issued ordinary share capital of Build King. As such, Build King was considered as a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, an announcement was made by the Company on the same date. Nevertheless, on 27th February, 2006, Mr. Zen Wei Pao, William disposed of his 2,000,000 New Build King Shares. As such, the aggregate interests of Messrs. Zen Wei Pao, William and Zen Wei Peu, Derek has dropped to 9.95%.

Upon the payment of the remaining balance of the Purchase Price for the acquisition of an aggregate of 30,000,000 New Build King Shares by Messrs. Zen Wei Pao, William and Zen Wei Peu, Derek on or before the second anniversary of 27th April, 2004, being the date on which Build King Shares had resumed trading on the Stock Exchange, the aggregate interests of Messrs. Zen Wei Pao, William and Zen Wei Peu, Derek will then be surpassed 10% of the issued ordinary share capital of Build King. By that time, Build King will be considered as a connected person of the Company under Chapter 14A of the Listing Rules.

During the year and up to the date of this report, the Company has not provided any indemnities and guarantees for construction contracts and the guarantees for banking facilities in favour of third parties in respect of the obligations of Top Tactic Group under the Proposed Caps.

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The Directors of the Company during the financial year and up to the date of this report were:

Executive Directors:

Zen Wei Pao, William (*Chairman*)

Zen Wei Peu, Derek (*Vice Chairman*)

Chiu Wai Yee, Anriena

(appointed on 21st June, 2005)

Fong Shiu Leung, Keter

(resigned on 21st June, 2005)

Non-executive Directors:

Lam Wai Hon, Patrick

Cheng Chi Pang, Leslie

Independent Non-executive Directors:

Wong Che Ming, Steve

Wan Siu Kau, Samuel

Wong Man Chung, Francis

In accordance with bye-laws 86 and 87 of the Company's Bye-laws, Mr. Zen Wei Pao, William, Mr. Zen Wei Peu, Derek, Miss Chiu Wai Yee, Anriena and Mr. Lam Wai Hon, Patrick shall retire from office at the forthcoming annual general meeting, and being eligible, offer themselves for re-election. All other remaining Directors continue in office.

Each of Messrs. Zen Wei Pao, William and Zen Wei Peu, Derek entered into service contracts with the Group for a term of three years commencing from 1st August, 2003 and thereafter, if mutually agreed in writing, extends for further one year. In accordance with the Listing Rules, such service contracts, which were entered into on or before 31st January, 2004, are exempt from the shareholders' approval requirement under Rule 13.68 of the Listing Rules.

Miss Chiu Wai Yee, Anriena entered into a service contract with the Company for a term of three years commencing from 21st June, 2005.

The Non-executive Directors have been appointed for a term subject to retirement by rotation as required by the Company's Bye-laws.

The Company received confirmation of independence from Dr. Wong Che Ming, Steve, Messrs. Wan Siu Kau, Samuel and Wong Man Chung, Francis, being the Independent Non-executive Directors in respect of the year ended 31st December, 2005, pursuant to Rule 3.13 of the Listing Rules. The Company considers all the Independent Non-executive Directors to be independent.

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS *(Continued)*

None of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS AND SHORT POSITIONS

As at 31st December, 2005, the interests and short positions of the Directors of the Company in the shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or were required to be entered in the register maintained by the Company pursuant to section 352 of the SFO or were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, to be notified to the Company and the Stock Exchange were as follows:

(I) The Company

Interests in shares

Name of Director	Capacity/ Nature of interest	Number of shares held		Percentage of the issued ordinary share capital (%)
		Long position	Short position	
Zen Wei Pao, William	Personal	192,381,843 <i>(Note 1)</i>	—	24.26 <i>(Note 2)</i>
Zen Wei Peu, Derek	Personal	185,057,078 <i>(Note 1)</i>	—	23.33 <i>(Note 2)</i>
Lam Wai Hon, Patrick	Personal	300,000 <i>(Note 1)</i>	—	0.03
Cheng Chi Pang, Leslie	Personal	500,000 <i>(Note 1)</i>	—	0.06
Wong Che Ming, Steve	Personal	1,100,000 <i>(Note 1)</i>	—	0.14

Notes:

1. Long position in the shares (other than pursuant to equity derivatives such as share options, warrants to subscribe or convertible bonds).
2. As at 31st December, 2005, the issued share capital of the Company is 793,124,034 shares. Accordingly, the percentage has been adjusted.

DIRECTORS' INTERESTS AND SHORT POSITIONS (Continued)
(II) Associated Corporations
Interests in shares

Name of Director	Name of company	Capacity/ Nature of interest	Number of shares held		Percentage of the issued ordinary share capital (%)
			Long position	Short position	
Zen Wei Pao, William	Build King Holdings Limited	Personal	7,820,000 (Note 1)	—	1.00
		Personal	10,000,000 (Note 3)	—	1.28
	Road King Infrastructure Limited	Personal	7,500,000 (Note 2)	—	1.27
	Wai Kee (Zens) Construction & Transportation Company Limited	Personal	2,000,000 (Note 1)	—	10.00
	Wai Luen Stone Products Limited	Personal	30,000 (Note 1)	—	37.50
Zen Wei Peu, Derek	Build King Holdings Limited	Personal	66,381,421 (Note 1)	—	8.50
		Personal	20,000,000 (Note 3)	—	2.56
	Road King Infrastructure Limited	Personal	2,986,000 (Note 1)	—	0.50
		Personal	2,300,000 (Note 2)	—	0.39
	Wai Kee (Zens) Construction & Transportation Company Limited	Personal	2,000,000 (Note 1)	—	10.00
Wai Luen Stone Products Limited	Personal	30,000 (Note 1)	—	37.50	
Chiu Wai Yee, Anriena	Build King Holdings Limited	Personal	837,000 (Note 3)	—	0.11
	Road King Infrastructure Limited	Personal	550,000 (Note 2)	—	0.09
Lam Wai Hon, Patrick	Build King Holdings Limited	Personal	140,000 (Note 1)	—	0.02
Cheng Chi Pang, Leslie	Build King Holdings Limited	Personal	140,000 (Note 1)	—	0.02
Wong Che Ming, Steve	Build King Holdings Limited	Personal	311,225 (Note 1)	—	0.04

DIRECTORS' INTERESTS AND SHORT POSITIONS *(Continued)*

(II) Associated Corporations *(Continued)*

Interests in shares (Continued)

Notes:

1. Long position in the shares (other than pursuant to equity derivatives such as share options, warrants to subscribe or convertible bonds).
2. Long position in the underlying shares of Road King pursuant to unlisted equity derivatives (including physically settled, cash settled and other equity derivatives). Share options granted to directors are included in this category, the particulars of which are set out in (II) under the heading "SHARE OPTIONS" below.
3. Pursuant to the Staff Share Purchasing Scheme, each of Mr. Zen Wei Pao, William, Mr. Zen Wei Peu, Derek and Miss Chiu Wai Yee, Anriena was granted a right to acquire 100,000,000, 200,000,000 and 8,370,000 Build King Shares from the Company respectively. Subsequent to the share consolidation of Build King Shares on 26th July, 2004, the number of shares in Build King to be acquired through the exercise of the Purchase Rights has been adjusted, details of which are set out under the heading "CONNECTED TRANSACTION" above.

Save as disclosed above, none of the Directors or their associates has any interests or short positions in any shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) as recorded in the register to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange.

SHARE OPTIONS

(I) The Company

A new share option scheme (the "New Share Option Scheme") was adopted by the Company at the annual general meeting held on 18th September, 2002 to comply with Chapter 17 of the Listing Rules. No option was granted under the New Share Option Scheme during the year.

Details of the New Share Option Scheme are set out in note 45 to the financial statements.

Renewal of the 10% share option scheme mandate limit under the New Share Option Scheme was approved by the shareholders on 12th May, 2004. Therefore, the Company can grant share options to subscribe for up to 79,282,403 shares of the Company under the New Share Option Scheme. As no share option has been granted under the New Share Option Scheme since 12th May, 2004, the total number of shares available for issue under the New Share Option Scheme is 79,282,403 representing approximately 10% of the Company's issued share capital as at the date of this report.

SHARE OPTIONS (Continued)

(II) Associated Corporation

The new share option scheme was adopted by Road King at the annual general meeting held on 12th May, 2003 (the "Road King New Share Option Scheme") to comply with Chapter 17 of the Listing Rules. As at 31st December, 2005, Road King has granted 11,950,000 share options under the Road King New Share Option Scheme to three Directors of the Company, 1,600,000 share options of which has been exercised.

Details of the share options granted under the Road King New Share Option Scheme to the following Directors of the Company and a summary of the movements during the year are as follows:

Name	Date of grant	Vesting period	Exercisable period	Exercise Price	Number of share options					Balance at 31.12.2005
					Balance at 1.1.2005	Granted during the year#	Exercised during the year*	Expired during the year	Cancelled during the year	
<i>HK\$</i>										
Directors										
Zen Wei Pao, William	17th October, 2003	5 years	17th October, 2003 to 16th October, 2008	5.15	2,500,000	—	—	—	—	2,500,000
	26th August, 2004	5 years	26th August, 2004 to 25th August, 2009	5.70	2,500,000	—	—	—	—	2,500,000
	14th December, 2005	5 years	14th December, 2005 to 13th December, 2010	5.80	—	2,500,000	—	—	—	2,500,000
Zen Wei Peu, Derek	17th October, 2003	5 years	17th October, 2003 to 16th October, 2008	5.15	650,000	—	(650,000)	—	—	—
	26th August, 2004	5 years	26th August, 2004 to 25th August, 2009	5.70	1,300,000	—	(300,000)	—	—	1,000,000
	14th December, 2005	5 years	14th December, 2005 to 13th December, 2010	5.80	—	1,300,000	—	—	—	1,300,000
Chiu Wai Yee, Anriena	17th October, 2003	5 years	17th October, 2003 to 16th October, 2008	5.15	250,000	—	—	—	—	250,000
	26th August, 2004	5 years	26th August, 2004 to 25th August, 2009	5.70	200,000	—	—	—	—	200,000
	14th December, 2005	5 years	14th December, 2005 to 13th December, 2010	5.80	—	100,000	—	—	—	100,000
Total					7,400,000	3,900,000	(950,000)	—	—	10,350,000

The closing price of the shares of Road King immediately before the date of grant was HK\$5.65.

* The weighted average closing price of the shares of Road King immediately before the date on which the share options were exercised is HK\$5.861.

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SHARE OPTIONS *(Continued)*

Save as disclosed above, none of the Directors nor any of their associates had any interests in the securities of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

Save as disclosed above, none of the Directors nor their spouse or children under 18 years of age were granted or had exercised any rights to subscribe for any securities of the Company or any of its associated corporations.

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

Other than the share option schemes and the Staff Share Purchasing Scheme as mentioned earlier, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

COMPETING INTERESTS

During the year, the following director was interested in the business which competes or is likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed under the Listing Rules:

Name of director	Name of entity	Competing business	Nature of interest
Lam Wai Hon, Patrick	NWS Holdings Limited group of companies	Construction, toll road and infrastructure	Director

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 31st December, 2005, so far as is known to any Directors of the Company, the following persons (other than Directors of the Company) have interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Name of shareholder	Name of company	Capacity/ Nature of interest	Number of shares held Long position	Short position	Percentage of the issued ordinary share capital (%)
Chow Tai Fook Enterprises Limited (Note 2)	Wai Kee Holdings Limited	Corporate	213,868,000 (Note 1)	—	26.97
New World Development Company Limited (Note 3)	Wai Kee Holdings Limited	Corporate	213,868,000 (Note 1)	—	26.97
NWS Holdings Limited (Note 4)	Wai Kee Holdings Limited	Corporate	213,868,000 (Note 1)	—	26.97
NWS Service Management Limited (Note 5)	Wai Kee Holdings Limited	Corporate	213,868,000 (Note 1)	—	26.97
NWS Service Management Limited (Note 6)	Wai Kee Holdings Limited	Corporate	213,868,000 (Note 1)	—	26.97
Vast Earn Group Limited (Note 7)	Wai Kee Holdings Limited	Personal/ Beneficiary	213,868,000 (Note 1)	—	26.97

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Notes:

1. Long position in the shares (other than pursuant to equity derivatives such as share options, warrants to subscribe or convertible bonds).
2. Chow Tai Fook Enterprises Limited is deemed to be interested in the shares through its interests in more than one-third of the issued share capital of New World Development Company Limited.
3. New World Development Company Limited is deemed to be interested in the shares through its interests in more than one-third of the issued share capital of NWS Holdings Limited.
4. NWS Holdings Limited is deemed to be interested in the shares through its interests in its wholly owned subsidiaries, namely NWS Service Management Limited (incorporated in the Cayman Islands), NWS Service Management Limited (incorporated in the British Virgin Islands) and Vast Earn Group Limited.
5. NWS Service Management Limited (incorporated in the Cayman Islands) is deemed to be interested in the shares through its interests in its wholly owned subsidiaries, namely NWS Service Management Limited (incorporated in the British Virgin Islands) and Vast Earn Group Limited.
6. NWS Service Management Limited (incorporated in the British Virgin Islands) is deemed to be interested in the shares through its interests in its wholly owned subsidiary, namely Vast Earn Group Limited.
7. Vast Earn Group Limited is a wholly owned subsidiary of NWS Service Management Limited (incorporated in the British Virgin Islands).

Save as disclosed above, no other person (other than a Director of the Company) has an interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31st December, 2005.

SUFFICIENCY OF PUBLIC FLOAT

According to the information that is available to the Company and within the knowledge of the Directors of the Company, the Company has maintained the prescribed public float under the Listing Rules.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

DONATIONS

During the year, the Group made charitable and other donations amounting to HK\$705,000.

EMPLOYEES AND REMUNERATION POLICIES

As at 31st December, 2005, the Group had 1,303 employees (2004: 1,481 employees), of which 927 (2004: 1,071) were located in Hong Kong, 347 (2004: 399) were located in Mainland China, 5 (2004: 11) were located in Taiwan and 24 (2004: Nil) in Dubai. For the year ended 31st December, 2005, the Group's total staff costs were about HK\$207 million.

Competitive remuneration packages are structured to commensurate with individual responsibilities, qualification, experience and performance.

The emoluments of Executive Directors and senior management are to be determined by the Remuneration Committee with reference to salaries paid by comparable companies, time commitment, and responsibilities of the Directors, employment conditions, and prevailing market conditions.

AUDITORS

A resolution will be proposed at the forthcoming annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as Auditors of the Company.

On behalf of the Board

Zen Wei Pao, William
Chairman

31st March, 2006