

CORPORATE GOVERNANCE

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The Company did not purchase, redeem or sell any of its own listed securities during the period.

DISCUSSION AND ANALYSIS OF PERFORMANCE AND MATERIAL FACTORS UNDERLYING RESULTS AND FINANCIAL POSITION

These matters are considered in detail in other sections of this interim report and no further discussion and analysis is required to present a balanced review of the Company's operations for the period.

DIRECTORS' INTERESTS IN SHARES

As at 30 June 2001, except for Mr Vincent J Warner who held 4,777 shares in the Company in a personal capacity, none of the Directors or their associates were interested, beneficially or otherwise, in any listed shares of the Company. Save as disclosed herein, no rights have been granted to the Directors, their respective spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debt securities of the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30 June 2001, the register kept by the Company under Section 16(1) of the Securities (Disclosure of Interests) Ordinance showed that the Company had been notified of the following interests, being 10% or more of the Company's issued share capital:

Name	Number of shares	Percentage
Swiss Reinsurance Company	4,590,104	18.83%
Friends Ivory & Sime Plc	2,602,486	10.68%

COMPLIANCE WITH CODE OF BEST PRACTICE (LISTING RULES APPENDIX 14)

None of the Directors is aware of information that would reasonably indicate the Company is not, or was not, for any part of the accounting period for the six months period ended 30 June 2001, in compliance with the Code of Best Practice as set out in Appendix 14 to the listing rules of The Stock Exchange of Hong Kong Limited, except that the non-executive directors are not appointed for specific terms and are subject to retirement by rotation in accordance with Articles 89(B) and (C).