

REVIEW OF THE UNLISTED PORTION INVESTMENTS

As at 31 December 2001, the Unlisted Portion assets held interests in three companies, including a company listed in Hong Kong. A description of the three active investments is set out below.

A-S CHINA PLUMBING PRODUCTS LIMITED (“ASPPL”)

ASPPL was established in 1994 to produce and distribute a complete line of sanitary ware products through the acquisition of seven joint ventures in China. ASPPL is a subsidiary of American Standard Inc. (“ASI”) a US based international manufacturer of plumbing products, air-conditioners, automobile and medical systems products. ASI has granted to ASPPL the exclusive right to license trademarks owned by ASI for plumbing products in China.

The Company has been pursuing negotiations with ASI and other parties with a view to realising the Company’s investment.

NEW WORLD SUN CITY LIMITED (“NWSC”)

NWSC was established in 1992 to develop Dongguan New World Gardens (the “Project”) near Dongguan, Guangdong Province. The Project involves the development and sale of detached houses, semi-detached houses, low-rise and high-rise apartments and 93,000 square metres of commercial and retail space on a 466,666 square metresite near Dongguan. The Project has total permissible floor area of approximately 1.12 million square metres and is being developed over several phases.

Negotiations regarding the sale of the Company’s interest in NWSC are being pursued and the Investment Manager expects to be able to complete the sale of the investment during 2002.

83% of the Company’s original cost of investment has been repaid and the reduced cost of the Company’s investment in NWSC was US\$ 1.28 million as at 31 December 2001. Including interest received, the original cost of investment in NWSC of US\$ 7.30 million has been fully recovered

ROAD KING INFRASTRUCTURE LIMITED (“ROAD KING”)

Road King was established in 1994 to participate in the development of road infrastructure in the PRC through joint ventures with Chinese partners. Road King has interests in the investment, development and management of 974 kilometres of toll highways in 29 projects across eight provinces in China. Road King achieved a listing of its shares on The Stock Exchange of Hong Kong Limited in 1996.

As at 31 December 2001, the Company held 1.15 million Ordinary shares and 0.23 million bonus warrants in Road King valued at market value of US\$ 0.46 million.

In March 2002, the Company sold its entire holding in Road King’s shares and warrants through the stock market for a total consideration of HK\$ 3.5 million or approximately US\$ 0.45 million.