



**techpacific.com Limited**

(incorporated in the Cayman Islands with limited liability)

# Interim Report

For the half year  
ended 30 June 2000



## Characteristics of The Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Exchange”)

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

*The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this announcement.*

*This announcement, for which the directors of techpacific.com Limited collectively and individually accept responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to techpacific.com Limited. The directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief:— (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

### About techpacific.com limited

techpacific.com Limited (the “Company”) is a leading Internet-based company whose focused line of business is fostering the development of, and arranging finance for, start-up and early-stage technology ventures in Asia.

The Company invests in technology enterprises through venture capital funds under its management, as well as using its own capital to incubate companies and to take strategic stakes in firms which provide value-adding services for its invested partners and others.

The Company also provides a range of services through its own professional staff, which include technology solutions and corporate finance advice.

## Results

The Board of Directors (“Board”) of the Company is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months and three months ended 30th June 2000, together with the comparative unaudited figures of the corresponding periods in 1999 as follows:

	Notes	Six months ended 30th June		Three months ended 30th June	
		2000 US\$'000	1999 US\$'000	2000 US\$'000	1999 US\$'000
Revenue	2	3,291	357	1,743	357
Operating expenses		(2,335)	(229)	(1,238)	(192)
Profit from operations		956	128	505	165
Share of losses of associated companies		(165)	–	(159)	–
Profit before taxation		791	128	346	165
Taxation	3	(28)	–	(28)	–
Profit after taxation		763	128	318	165
Minority Interest		(41)	–	(40)	–
Profit attributable to shareholders		722	128	278	165
Earnings per share – Basic	5	US0.04 cent	US\$13.77	US0.01 cent	US\$17.71

Notes:

#### 1. Basis of presentation

The Company was incorporated in the Cayman Islands on 21st February 2000 and its shares were listed on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited on 17th April 2000.

The principal accounting policies adopted in preparing the unaudited consolidated results conform to International Accounting Standards.

The original holding company of the Group was a Hong Kong incorporated company. Pursuant to a group re-organization carried out in March 2000, the Company became the ultimate holding company of the Group. The unaudited consolidated results of the Group include the results of all companies now comprising the Group using the merger basis of accounting as if the current structure of the Group had been in existence throughout the periods covered by this announcement or since their respective dates of incorporation where this is a shorter period.

All significant intra-group transactions and balances have been eliminated in preparing the consolidated financial statements.

2. Revenue includes cash fees and interest income.

3. Hong Kong Profits Tax is calculated at the rate of 16% on the estimated assessable profits for the three months ended 30th June 2000. No income tax has been provided for in the three months ended 31st March 2000 and the six months ended 30th June 1999 as neither the Group nor any of its associated companies derived any profit which is subject to income tax.

#### 4. Movement in reserve

	2000 US\$'000	1999 US\$'000
Investment revaluation reserve as at 1st January	-	-
Decrease in fair value of a listed investment	(124)	-
	<hr/>	<hr/>
Investment revaluation reserve as at 31st March	(124)	-
Increases in fair values of listed investments	1,976	-
	<hr/>	<hr/>
Investment revaluation reserve as at 30th June	<u>1,852</u>	<u>-</u>

#### 5. Earnings per share

The calculation of the basic earnings per share for the six months ended 30th June 2000 is based on the profit attributable to shareholders of US\$721,728 (1999: profit of US\$ 127,937) and the weighted average number of shares of 1,858,928,805 (1999: 9,294).

The calculation of the basic earnings per share for the three months ended 30th June 2000 is based on the profit attributable to shareholders of US\$277,693 (1999: profit of US\$164,591) and the weighted average number of shares of 2,343,633,289 (1999: 9,294).

The number of shares in issue in respect of the comparative periods in 1999 is calculated based on the two shares in issue in respect of such periods, as adjusted to reflect the capitalisation ratio of 4,647 to 1, pursuant to the Group reorganisation referred to in Note 1 above.

The exercise of the share options granted by the Company would have a dilutive effect on the earnings per share for the six months and three months ended 30th June 2000. However, no such options are currently exercisable.

## INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months and three months ended 30th June 2000 (1999: Nil).

## BUSINESS REVIEW AND PROSPECTS

### General

The Directors are pleased to announce Q2 earnings which showed another increase in both revenue and operating profit. Revenue for the first half of 2000 rose by over 800% over the corresponding period in 1999 and operating profit by around 650%.

These results were achieved despite the rise in operating expenses (foreshadowed in the prospectus for the Company's April IPO), which was due mainly to investment in additional professional staff.

Investments in associated companies made earlier this year began, as expected, to impact profit attributable to shareholders in Q2. The Directors note with satisfaction that, despite the number of invested partner companies still in their early building stages, an overall profit attributable to shareholders was recorded in Q2.

For the first half year as a whole, the Company achieved a profit from operations of US\$955,863 on revenues of US\$3,290,789. Profit attributable to shareholders (after taking into account the Company's share of losses of associated companies) was US\$721,728.

The Company finished the quarter under review with cash balances of approximately US\$42 million, in addition to the approximately US\$88 million remaining to be invested by the two venture capital funds managed by the Group.

Notable developments in the quarter under review included:—

- At the end of June, the Group's first investee company to achieve a listing, Netease.com Inc, completed its IPO on Nasdaq at an issue price which provided the Group with a significant unrealized gain over its cost of investment. No such gains are reflected in the Company's reported results, since none of them has been realized. However, such gains are reflected in the Group's revaluation reserve.
- Four new companies were listed in Nirvana, through the Company's M<sup>3</sup> programme. The programme raised over US\$11 million during the quarter for regional technology ventures and over US\$30 million in the first half year. 21 companies were listed on Nirvana at 30 June.
- The lease agreement for the Group's new incubation centre (to be called "tp Labs") was signed and refurbishment was well advanced; the centre commences operation in early August with an expected 100 occupants at the outset.
- Investments were made in three additional "toolbox" companies (Linux Center, Asset Publishing and LegalStudio). "Toolbox" companies are those in which techpacific.com has a significant equity interest, and which provide services and technology solutions both to the market at large and to companies within techpacific.com's "eco-system". tp Factory (techpacific.com's in-house e-services group, providing IT total solutions for M<sup>3</sup> companies and incubatees) was initiated. This business unit is now operational and, in the opinion of the Directors, adds significant value to the Company.
- A joint venture agreement was entered into with Daum Communications, one of the leading Internet businesses in Korea, to establish techpacific.com Korea. A similar agreement was signed with Camerlin Ltd, a subsidiary of the Hong Leong group, to form a joint venture in Malaysia.
- Core full-time staff increased to 31, the majority being people with technology or start-up experience, or both.

## Outlook

The Directors and Management of techpacific.com remain highly positive about the prospects for the Company, which is both profitable and rapidly growing. techpacific.com's position of market leadership in its chosen field has become increasingly evident and, despite general weakness in the share prices of companies listed on the GEM (which has affected the Company's share price), the Directors believe investors will in due course appreciate more fully the inherent strengths of the Company and its business.

The Company has the good fortune to be associated with supportive and world class shareholders; it holds investments in a total of 35 companies, a number of which are highly promising; and the professional team that has been assembled is second to none.

Growth in revenue from the M<sup>3</sup> programme and venture capital fund management is expected to continue. New sources of operating revenue will start to emerge in the second half of 2000, from both tp Labs, which is forecast to cover a significant part of its costs while building up its portfolio of incubatees, and from tp Factory, which will become fully operational in Q3.

Interest income is expected to reduce in the second half year, as the Group's investment programme proceeds. Operating expenses will continue to increase as the Group invests further in its core activities and establishes operations in other regional markets. A presence in Singapore is likely to be established in Q3. The Group will continue to hire talented staff to execute its business strategy and meet the demand for its services. The ability to recruit, retain and motivate such individuals is fundamental to the Company's success.

Losses from associated companies are also likely to continue and possibly increase for the next few quarters as many of the Group's invested partners proceed with building their businesses.

All investments made by the Group are carried in the balance sheet at cost, including options to subscribe for equity (which are held in 17 companies), to which no value is attributed. There is likewise no recognition in the Group balance sheet of any potential increases in the value of equity holdings in unlisted companies because, in the Directors' opinion, such increases cannot be reliably measured. The total amount of investments so far made in the establishment or acquisition of holdings in toolbox companies is approximately US\$10 million. The book cost of other equity participations totals approximately US\$19 million (including the Company's \$11m share in the Nirvana Fund).

Management believes that in the second half of the year, a number of existing investments are likely to achieve liquidity events, either by way of listing or by means of merger or acquisition. Any realizations in excess of book value arising from such events will be recognized through the profit and loss account in the period in which they occur.

The Group enters the second half of its fiscal year profitable and cash generative with significant cash resources and no debt. The Directors look forward to the second half of the year with confidence and expect the Company's activities to extend further their breadth and depth, benefiting from the continuing explosive growth of technology-related business in the Asia Pacific region.

## COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

According to the business objectives as stated in the prospectus dated 5th April 2000	Actual business progress
Period I: 3 months ended 30th June, 2000	
Increase the rate at which businesses are listed on Nirvana through the M <sup>3</sup> Programme with a target of around 25 such companies (compared to the current 19)	An additional 7 businesses were listed on Nirvana through the M <sup>3</sup> Programme. As at 30 June 2000, total of 21 companies were listed on Nirvana, net of companies removed from Nirvana.
Expand incubation facilities in Hong Kong by increasing the space devoted to Incubation from 2,800 sq.ft. to around 20,000 sq.ft.	The Group's custom designed new incubation facility, branded tp Labs opened on 26th July 2000. The facility, located in Cosco Tower close to the Group's Headquarters, totals 21,000 square feet accommodates 183 work stations and offers value-adding services to nurture and accelerate the growth of technology start-ups.
Increase the number of incubated companies by selecting around four further Incubation candidates	A total of 4 (LegalStudio, Pickettips, ebabyasia and Linux Center) new incubation companies were selected for incubation. It is expected that these incubation candidates will commence operations in tp Labs in the second half of the fiscal year.
Enhance Toolbox services by continuing to acquire significant interests in relevant companies when the opportunity arises	Strategic stakes were acquired in 3 new toolbox companies, Linux Center, Asset Publishing and LegalStudio. In addition, tp Factory (techpacific.com's in-house e-services group, providing IT total solutions for M <sup>3</sup> companies and incubatees) has been expanded to a 5 man team as of end July. tp Factory has since booked its first revenues from the provision of consultancy services to a number of companies.
Continue to build brand awareness via a regional marketing campaign using online and offline advertising in publications that are focused on technology and finance	The regional marketing campaign continued to build awareness of techpacific.com and the centrepiece of a brand building exercise was initiated via the re-design of the existing web site. A more extensive marketing campaign will be launched in August (after the opening of tp Labs) and In September (after the launch of the new web site).

According to the business objectives as stated in the prospectus dated 5th April 2000	Actual business progress
Period II: 6 months ending 31st December, 2000	techpacific.com has achieved the following specific business objectives originally scheduled for the 6 months ending 31st December 2000
Commence regional expansion of the M <sup>3</sup> programme through the establishment of joint ventures in key markets such as China, Korea and Singapore	The Group has signed joint venture agreements with partners in Korea and Malaysia to establish companies seeking to expand the M <sup>3</sup> programme as well as its other business activities. The Group is in the process of opening a branch office in Singapore for the same purpose. The Group is in discussions with third parties with respect to increasing its presence in China through a number of different methods.
Complete significant or controlling strategic acquisitions to enhance the Toolbox in particular by acquiring interests in creative web design businesses	A strategic stake was acquired in Web Media, a leading web design and development business based in New Zealand. Within tp Factory, the Company is in the process of recruiting a number of programmers and developers to build its own web design team.
Achieve a profitable exit from at least one holding	In June 2000, Netease.com Inc., an investment made by the Group through the M <sup>3</sup> program, listed on NASDAQ, providing the Group with a substantial unrealized gain over its cost of investment
Expand representation in the USA and the United Kingdom and assist North American and European companies to expand into Asia	The Group officially opened branch offices in San Francisco and London. Both of these offices are in active discussions assisting technology businesses seeking to expand into Asia.
Invest in expansion of the existing web site (it is anticipated that US\$1 million will be devoted to expanding the functionality and content of the website)	The Group commenced a redesign of its existing web site, to include tp Online, a range of expanded services and functions to improve communications and operations both internally and externally,

## DISCLOSURE OF INTERESTS

### (a) DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

As at 30th June 2000, the interests of the directors and the chief executive of the Company in the shares of the Company (the "Shares") and in the share capital of any of its associated corporation (within the meaning of the SDI Ordinance) which were required to be notified to the Company and the Exchange pursuant to section 28 of the SDI Ordinance (including interests which they were taken or deemed to have under section 31 of, or Part 1 of the Schedule to, the SDI Ordinance) or which were required, pursuant to section 29 of the SDI Ordinance, to be entered in the register required to be kept therein, or which were required pursuant to Rules 5.40 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and the Exchange were as follows:

#### (i) Equity interests in the Company

Name	Personal Interest	Family Interest	Corporate Interest	Other Interest
Robert John				
Richard Owen	107,157,606	—	—	—
Ilyas Tariq Khan (Notes 1 & 2)	79,994,076	—	513,498,147	—
Johnny Chan Kok Chung (Note 3)	207,805,852	16,097,387	—	—
Max Carrol Chapman, Jr.	18,448,931	1,635,744	—	—
Francis Yuen Tin Fan (Note 4)	—	—	929,400	—
Peter Raymond Clarke	738,000	—	—	—

*Note 1:* TW Indus Ltd. held 188,208,147 Shares immediately following the Share Offer. Ilyas Tariq Khan beneficially wholly owned TW Indus Ltd..

*Note 2:* ECK & Partners Limited held 325,290,000 Shares immediately following the Share Offer. ECK & Partners Limited was beneficially owned as to 61.43% by Ilyas Tariq Khan, as to 20% by Robert John Richard Owen, and as to 18.57% by Johnny Chan Kok Chung.

*Note 3:* Yuda Udomritthiruj held 16,097,387 Shares immediately following the Share Offer. Yuda Udomritthiruj is the wife of Johnny Chan and, accordingly, for the purposes of the SDI Ordinance, her Shares are included in the shareholdings of Johnny Chan Kok Chung.

*Note 4:* Latlink Investments Limited held 929,400 Shares immediately following the Share Offer. Latlink Investments Limited was beneficially owned as to 50% by Francis Yuen Tin Fan and as to the remaining 50% by his wife.

(ii) Directors' right to acquire shares in the Company

Pursuant to the pre-IPO employee share option plan and the post-IPO employee share option scheme of the Company, certain directors have interests in options to subscribe for shares in the Company as set out below. The options vest over a period of three years commencing on the first anniversary of the Effective Date.

	Effective Date	Option Shares	Subscription Price
Robert John	3rd January 2000	14,252,349	US\$0.0251
Richard Owen	23rd March 2000	5,111,700	US\$0.0610
	17th April 2000	464,700	HK\$1.05
Ilyas Tariq Khan	3rd January 2000	4,061,478	US\$0.0251
	23rd March 2000	15,102,750	US\$0.0610
	17th April 2000	2,788,200	HK\$1.05
Johnny Chan Kok Chung	3rd January 2000	45,777,597	US\$0.0251
	<i>Note 1</i>		
	23rd March 2000	20,214,450	US\$0.0610
	<i>Note 2</i>		
	17th April 2000	15,335,100	HK\$1.05
	<i>Note 3</i>		
Max Carrol Chapman, Jr.	23rd March 2000	2,323,500	US\$0.0610
	23rd March 2000	2,323,500	HK\$1.05
Francis Yuen Tin Fan	23rd March 2000	4,647,000	US\$0.0610
	23rd March 2000	4,647,000	HK\$1.05
Peter Raymond Clarke	23rd March 2000	4,647,400	US\$0.0610
	23rd March 2000	4,647,400	HK\$1.05

*Note 1:* Including 2,323,500 options at a subscription price of US\$0.0251 in which Yuda Udomritthiruj was interested. Yuda Udomritthiruj is the wife of Johnny Chan Kok Chung and, accordingly, for the purposes of the SDI Ordinance, her options are included in the options held by Johnny Chan Kok Chung.

*Note 2:* Including 1,394,100 options at a subscription price of US\$0.0610 in which Yuda Udomritthiruj was interested.

*Note 3:* Including 929,400 options at a subscription price of HK\$1.05 in which Yuda Udomritthiruj was interested.

*Note 4:* None of the above outstanding options was exercised during the period under review.

(iii) Interests in techpacific.com Capital Limited (formerly known as techpacific.com Company Limited), a subsidiary of the Company

Name	Personal Interest	Family Interest	Corporate Interest	Other Interest
Robert John Richard Owen	3,000	—	—	—
Ilyas Tariq Khan (Note 1)	1	—	110,001	—
Johnny Chan Kok Chung	30,000	—	—	—

*Note 1:* TW Indus Ltd. held 110,001 shares in techpacific.com Company Limited. TW Indus Ltd. was beneficially wholly owned by Ilyas Tariq Khan.

## (b) SHARE OPTIONS

### (i) Pre-IPO Share Option Plan

As at 30th June, 2000, options to subscribe for an aggregate of 409,177,644 ordinary shares of US\$0.001 each in the Company pursuant to the Pre-IPO Share Option Plan (as approved by the shareholders of techpacific.com capital Limited on 2nd July, 1999 and novated to the Company on 28th March, 2000) were outstanding. Details of options granted and, as at 30th June, 2000, remaining unexercised under the Pre-IPO Share Option Plan remain unchanged as disclosed on pages 224-230 of the prospectus of the Company dated 5th April, 2000. During the six months ended 30th June, 2000, no options granted pursuant to the Pre-IPO Share Option Plan were exercised.

### (ii) Share Option Scheme

During the period from 1st January, 2000 to 30th June, 2000, no option was granted by the Company under the Share Option Scheme, as adopted by the Company on 3rd April, 2000. As at 30th June, 2000, no option pursuant to the Share Option Scheme was outstanding.

Save as disclosed above, during the six months ended 30th June, 2000, none of the directors and employees of the Company or its subsidiaries was granted options to subscribe for shares in the Company.

A summary of the major terms of each share option scheme including details of all options granted thereunder are set out at pages 224 - 245 of the prospectus of the Company dated 5th April 2000.

## (c) SUBSTANTIAL SHAREHOLDERS AND MANAGEMENT SHAREHOLDERS

So far as the directors are aware, as at 30 June 2000, the holders of 10% or more of Shares of the Company were as follows:

Name	Number or approximate attributable number of Shares	Approximate percentage or approximate attributable percentage holding of Shares in issue immediately following the Share Offer (%)
Ilyas Tariq Khan (Note 1)	593,492,223	24.65
ECK & Partners Limited (Note 2)	325,290,000	13.56
tekbanc.com Limited (Note 3)	302,055,000	12.59

*Note 1: The interest of Ilyas Tariq Khan included 188,208,147 Shares held by TW Indus Ltd. which was beneficially wholly-owned by him and 325,290,000 Shares held by ECK & Partners Limited which was beneficially owned as to 61.43% by him.*

*Note 2: ECK & Partners Limited held a direct interest in 325,290,000 Shares. Ilyas Tariq Khan was beneficially interested in 61.43% of the share capital of ECK & Partners Limited and, therefore, Ilyas Tariq Khan was also interested in these 325,290,000 Shares which were duplicated within the 593,492,223 Shares in which Ilyas Tariq Khan was interested.*

*Note 3: tekbank.com Limited is a company wholly-owned by the Kuwait Fund for Arab Economic Development, a development finance agency owned by the government of Kuwait.*

Save as disclosed above, the directors are not aware of any other persons who were, as at 30 June 2000, interested in 10% or more of the Shares of the Company.

In addition to the directors', chief executive's and substantial shareholders' interests in securities of the Company, details of the shareholding of, and shares held under the options held by, each of the other initial management shareholders of the Company are as follows:—

Shareholder	Number of Shares	Percentage of issued share capital %	Number of Shares under Option
Jose Roy Hernandez Borromeo	100,151,027	4.17	16,822,140
Ali Jehangir Siddiqui*	64,724,150	2.70	4,647,000
Softbank Internet Fund	79,691,403	3.32	—
SOFTVEN NO. 2 Investment Enterprise Partnership	40,954,011	1.71	—

\* The interests of Ali Jehangir Siddiqui include the 34,620,150 Shares owned by StartupGroup Inc. StartupGroup Inc. is beneficially wholly-owned by Ali Jehangir Siddiqui.



**(d) SPONSOR**

As notified by the Company's sponsor, BNP Paribas Peregrine Capital Limited (the "Sponsor"), as at 30 June 2000, Yi Hua Assets Limited ("Yi Hua"), an associate of the Sponsor (as defined in the GEM listing rules) held 16,380,675 shares in the Company.

Mr Francis Leung Pak To ("Mr Leung"), a director of the Sponsor, beneficially owns 50% of Yi Hua and, as such, is indirectly interested in the 16,380,675 shares of the Company as mentioned above. Mr Leung, as member of the Advisory Board of the Company, is also granted 2,323,500 options under the Company's pre-IPO Share Option Plan.

Saved as disclosed herein, neither the Sponsor nor its directors or employees or associates (as referred to in Note 3 to rule 6.35 of the GEM Listing Rules) had any interests in the securities of the Company, including options or rights to subscribe for such securities.

Pursuant to the agreement entered into between the Company and the Sponsor, the Sponsor will receive a fee for acting as the Company's retained sponsor for the period from 17th April, 2000 to 31st December, 2002.

**(e) OTHER INTERESTS**

The directors are not aware of any business or interest, as of 30th June 2000, of the directors, initial management shareholders of the Company or their respective associates which was required to be disclosed pursuant to Rule 11.04 of the GEM Listing Rules.

**(f) AUDIT COMMITTEE**

As required by Rule 5.23 of the GEM Listing Rules, the Company established an audit committee on 31 March 2000 with written terms of reference in compliance with Rules 5.20 and 5.25 of the GEM Listing Rules which deal clearly with its authority and duties. The audit committee members comprise Peter Raymond Clarke, Francis Yuen Tin Fan and Robert John Richard Owen. Its principal duties are to review and supervise the Company's financial reporting process and internal control systems.

**(g) YEAR 2000 COMPLIANCE**

The Group does not have computer systems that are not Year 2000 compatible. In addition, the directors, based on information provided by its external suppliers and service providers, do not believe that Year 2000 compliance issues (if any) relating to its suppliers and service providers will have any material adverse effect on the Group's operations. As of the date of this report, the Group has not experienced any disruptions to its operations resulting from Year 2000 issues.

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

During the six months ended 30th June 2000, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

By Order of the Board  
**Robert John Richard Owen**  
*Chairman*

Hong Kong, 9th August 2000