

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES

(i) Shares

At 31 January, 2001, the interests of the directors in the share capital of the Company as recorded in the register maintained by the Company pursuant to Section 29 of the Hong Kong Securities (Disclosure of Interests) Ordinance ("SDI Ordinance") were as follows:

Name of director	Personal interest	Corporate interest
	Number of shares held	Number of shares held
Mr. Yip Kwong, Robert	27,000,000	819,518,739 (Note)
Ms. Cheng Kit Yin, Kelly	52,300,000	–

Note: These shares are owned by Central Securities Holdings Limited, a wholly-owned subsidiary of Everbest Holdings Group Limited which is a company wholly owned by Mr. Yip Kwong, Robert.

(ii) Options

The Company has a share option scheme under which the directors may, at their discretion, grant options to employees, including executive directors, of the Company or its subsidiaries to subscribe for shares in the Company.

The directors had personal interest in share options to subscribe for shares in the Company which were granted under the Company's share option scheme as follows:

Name of director	Date of grant	Exercise price HK\$	Outstanding as at 1.8.2000	Number of share options		Outstanding as at 31.1.2001
				Granted during the Period	Exercised during the Period	
Mr. Yip Kwong, Robert	5 March, 1997	0.43	5,000,000	-	-	5,000,000
	26 January, 2000	0.30	8,000,000	-	-	8,000,000
	22 March, 2000	0.33	10,000,000	-	-	10,000,000
Ms. Cheng Kit Yin, Kelly	5 March, 1997	0.43	5,000,000	-	-	5,000,000
	26 January, 2000	0.30	4,000,000	-	-	4,000,000
	22 March, 2000	0.33	10,000,000	-	-	10,000,000
Mr. Kam Shing	26 January, 2000	0.30	3,000,000	-	-	3,000,000
Mr. Lo Sek Chiu, Vincent	12 February, 1996	0.53	3,000,000	-	-	3,000,000
	26 January, 2000	0.30	10,000,000	-	-	10,000,000
Mr. Wong King Keung, Peter	26 January, 2000	0.30	5,000,000	-	-	5,000,000
	22 March, 2000	0.33	10,000,000	-	-	10,000,000

Under the terms of the share option scheme which was adopted at a special general meeting of the Company held on 30 September, 1994, the Board of Directors of the Company may, at their discretion, grant options to employees, including executive directors, of the Company or its subsidiaries to subscribe for shares in the Company at a price equal to the higher of the nominal value of the shares and an amount not less than 80% of the average of the closing prices of the shares on the Stock Exchange on the five trading days immediately preceding the date of the grant of the options, subject to a maximum of 10% of the issued share capital of the Company from time to time. Options granted under the scheme will entitle the holders to subscribe for shares from the date of grant up to 30 September, 2004.

The Company's associate, GreaterChina Technology Group Limited ("GreaterChina") has a share option scheme under which GreaterChina's full time employees and executive directors may be granted options to subscribe for shares in GreaterChina. Ms. Cheng Kit Yin, Kelly had personal interest in share options to subscribe for shares in GreaterChina which were granted under GreaterChina's share option scheme as follows:

Name of director	Date of grant	Exercise price HK\$	Outstanding as at 1.8.2000	Number of share options		Outstanding as at 31.1.2001
				Granted during the Period	Exercised during the Period	
Ms. Cheng Kit Yin, Kelly	19 December, 2000	0.218	-	16,000,000	-	16,000,000

(iii) Warrants

At 31 January, 2001, the directors did not hold any warrants issued by the Company.

Other than as disclosed above, at no time during the Period was the Company, any of its holding companies, fellow subsidiaries or 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, and neither the directors nor the chief executives, nor any of their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the Period.

Other than as disclosed above and nominee shares in certain subsidiaries held in trust for the Group, at 31 January, 2001, none of the directors or the chief executives, nor any their associates, had any interests in any securities of the Company or any of its associated corporations as defined by the SDI Ordinance.

DIRECTOR'S INTERESTS IN CONTRACTS OF SIGNIFICANCE

Other than as disclosed above, no contracts of significance to which the Company, any of its holding companies, fellow subsidiaries or 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 Period, or at any time during the Period.

SUBSTANTIAL SHAREHOLDERS

Other than the interests disclosed above in respect of certain directors, the register of substantial shareholders maintained by the Company pursuant to Section 16(1) of the SDI Ordinance discloses no person as having an interest of 10% or more of the issued share capital of the Company as at 31 January, 2001.

COMPLIANCE WITH CODE OF BEST PRACTICE

The Company has complied throughout the Period with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

AUDIT COMMITTEE

The Company's audit committee was formed on 31 July, 1999 and Mr. Wong King Keung, Peter and Mr. Chung Shui-Ming, were appointed as members of the audit committee on 30 December, 1999 and 21 March, 2000 respectively. The terms of reference for the audit committee have been established with regard to "A Guide for the Formation of an Audit Committee" issued by the Hong Kong Society of Accountants in December, 1997.

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

During the Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

On behalf of the Board
Yip Kwong, Robert
Chairman and Chief Executive Officer

Hong Kong, 26 April, 2001