



SUBSTANTIAL SHAREHOLDERS

Other than the interests disclosed above in respect of a director and his associates, the register required to be maintained under Section 16(1) of the SDI Ordinance shows that no other shareholders were interested in 10% or more of the issued share capital of the Company at 28th February, 2001.

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

During the period, the Company repurchased a total of 540,000 ordinary shares of HK\$0.20 each of the Company through the Stock Exchange at prices ranging from HK\$0.57 to HK\$0.58 per share for an aggregate consideration of HK\$312,000. All of the repurchased shares were cancelled. The directors considered that, as the Company's shares were trading at a discount to the net asset value per share, the repurchases would increase the net asset value per share of the Company. Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period.

CODE OF BEST PRACTICE

None of the directors is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the period, in compliance with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the unaudited interim financials. In addition, the Group's external auditors have carried out a review of the unaudited interim financials in accordance with the Statement of Auditing Standard 700 issued by the Hong Kong Society of Accountants.

On behalf of the Board

Ha Chung Fong

Chairman

Hong Kong SAR, 18th May, 2001