

DIRECTORS' INTEREST IN SHARES

As at 30 June 2001, the interests of the Company's directors in the shares of the Company were stated as follows:

Name of director	Personal interests	Corporate interests	% of total issued shares
Mr. Chao Hsihsiang	—	328,000 (a) (b) (d)	3.68
Madam Yin Wong Yeefan	—	485,000 (c) (d)	5.45
Mr. Chiang Chingyee	51,000	99,000 (e)	1.68

Notes:

- (a) Mr. Chao Hsihsiang has a 1.13% interest in Ruentex Construction and Development Co., Ltd. ("Ruentex Construction") which in turn holds a 2.56% interest in the Company.
- (b) Mr. Chao Hsihsiang is a beneficial owner of Tong Yuan International Ltd. which in turn holds a 1.12% interest in the Company.
- (c) Madam Yin Wong Yeefan has 0.015% and 0.006% interest in Ruentex Industries Ltd. ("Ruentex Industries") and Ruentex Construction respectively, the former in turn holds a 2.89% interest in the Company.
- (d) Ruentex Construction and Ruentex Industries each has an equity interest in Kwang Hua Development & Investment Ltd. ("Kwang Hua") of 20% and 30% respectively. Kwang Hua in turn holds a 3.3% interest in the Company.
- (e) Mr. Chiang Chingyee has a 7.44% interest in Great China Ltd. which in turn holds a 1.11% interest in the Company.

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2001, those persons or corporations having an interest of 10% or more in the issued share capital of the Company required to be disclosed pursuant to the Securities (Disclosure of Interests) Ordinance were as follows:

Name of shareholder	Number of shares held	%
Ariel Fund Limited ("Ariel")	1,225,674 (Note 1)	13.76
Mr. J. Ezra Merkin	2,056,500 (Note 2)	23.09

Notes:

1. Shares are registered in the name of Horsford Nominees Limited and Ariel.
2. Mr. J. Ezra Merkin was deemed, for the purposes of the Securities (Disclosure of Interest) Ordinance, to be interested in the 1,225,674 shares and 830,826 shares owned by Ariel and Gabriel Capital L.P. ("Gabriel") respectively by virtue of his ownership in the issued share capital of Ariel and Gabriel.

CODE OF BEST PRACTICE

None of the directors of the Company is aware of information that would reasonably indicate that the Company is not, or was not for any part of the six months ended 30 June 2001 in compliance with the "Code of Best Practice" as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.