

## DIRECTORS' INTERESTS

- A. The interests of the directors of the Company as recorded in the register kept under Section 29 of the Securities (Disclosure of Interests) Ordinance as at 30 June 2001 were as follows:

	Number of shares of HK\$0.10 each			
	Personal Interests	Family Interests	Corporate interests	Other Interests
Hung Hak Hip	45,820	896,645	3,555,787	3,227,420 *
Liu Chi Keung, Ricky	—	—	—	—
Wong Yu Hong, Philip	—	—	—	—
Sze Tsai To, Robert	—	—	—	—
Cheung Wing Yui, Edward	398,000	—	—	—
Hung Chiu Yee	772,673	—	—	—
Lee Pak Wing	—	—	—	—
Han Kin Yee	—	—	—	—
Chan Sai On, David	—	—	—	—
Wong Kwok Ying	—	—	—	—

\* 3,227,420 shares were beneficially owned by a discretionary trust whose discretionary beneficiaries include an associate of Mr. Hung Hak Hip.

Other than nominee shares in certain subsidiaries held by certain directors in trust for the Company or the immediate holding company of those subsidiaries, none of the directors held equity interests in any of the Company's subsidiaries.

- B. At 30 June 2001, certain directors held share options granted to them under the Share Option Scheme of the Company entitling them to subscribe for shares of HK\$0.10 each in the Company upon exercise of their subscription rights as follows:

	Number of shares constituting the share options	Exercisable period (both dates inclusive)	Exercisable price per share
Hung Hak Hip	4,752,105	17 November 2000 to 16 November 2010	HK\$0.1834
Liu Chi Keung, Ricky	4,091,130	17 November 2000 to 16 November 2010	HK\$0.1834
Wong Yu Hong, Philip	2,045,565	30 November 2000 to 29 November 2005	HK\$0.2112
Sze Tsai To, Robert	2,045,565	22 November 2001 to 21 November 2006	HK\$0.1834
Cheung Wing Yui, Edward	2,045,565	17 November 2000 to 16 November 2005	HK\$0.1834

## DIRECTORS' INTERESTS (Continued)

B. (Continued)

	<b>Number of shares constituting the share options</b>	<b>Exercisable period (both dates inclusive)</b>	<b>Exercisable price per share</b>
Hung Chiu Yee	2,045,565	17 November 2000 to 16 November 2010	HK\$0.1834
Lee Pak Wing	2,376,052	17 November 2000 to 16 November 2010	HK\$0.1834
Wong Kwok Ying	4,091,130	17 November 2000 to 16 November 2010	HK\$0.1834

No share options were granted or exercised during the period.

Apart from the foregoing, at no time during the period was the Company or any of its subsidiaries a party to any arrangements to enable directors of the Company or their spouses or children under the age of 18 to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

## SUBSTANTIAL SHAREHOLDERS

At 30 June 2001, the interests of those persons (other than the directors) in the share capital of the Company as recorded in the register kept under Section 16 of the Securities (Disclosure of Interests) Ordinance were as follows:

<b>Name of shareholder</b>	<b>Number of shares of HK\$0.10 each</b>
Hung's (1985) Limited ("Hung's")	117,136,083
Hop Hing Oil (1985) Limited ("HHO")	155,392,698
GZ Trust Corporation ("GZTC")	272,528,781

The shares disclosed under the name of GZTC include GZTC's deemed interest in the shares held by Hung's and HHO.

## CODE OF BEST PRACTICE

In the opinion of the directors, the Company has complied 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 throughout the period, except that the independent non-executive directors of the Company are not appointed for specific terms as they are subject to retirement and re-election in accordance with the provisions of the Bye-laws of the Company.

By Order of the Board

**Hung Hak Hip**  
*Chairman*

Hong Kong, 26 September 2001

## INDEPENDENT REVIEW REPORT

To the Board of Directors of Hop Hing Holdings Limited

We have been instructed by the Company to review the interim financial report set out on pages 1 to 9.

### Directors' responsibilities

The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with SSAP 25 "Interim financial reporting" issued by the Hong Kong Society of Accountants and the relevant provisions thereof. The interim financial report is the responsibility of, and has been approved by, the directors.

### Review work performed

We conducted our review in accordance with SAS 700 "Engagements to review interim financial reports" issued by the Hong Kong Society of Accountants. A review consists principally of making enquiries of Group management and applying analytical procedures to the interim financial report and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the interim financial report.

### Accounting treatment of trademarks

Included in the Condensed Consolidated Balance Sheet are trademarks of HK\$121,600,000 which are stated at cost and are not amortised. In accordance with SSAP 29 "Intangible Assets", which became effective during the interim period, these trademarks should be amortised over the best estimate of their useful lives. However, as further explained in note 1 "Trademarks" to the interim financial report, in the opinion of the directors, no amortisation is considered necessary. Because we have not been able to quantify the estimated useful lives of the trademarks, we are unable to determine the effect of this departure from SSAP 29 on the Group's net assets as at 30 June 2001 and the profit for the six month period then ended, including the prior year adjustment that is required in respect thereof in order to implement SSAP 29 retrospectively as is required.

### Modified review conclusion

Except for any adjustments that might have been found necessary had the trademarks been amortised, on the basis of our review which does not constitute an audit, we are not aware of any material modifications that should be made to the interim financial report for the six months ended 30 June 2001.

Without further modifying our review conclusion above, we draw attention to the fact that the comparative condensed consolidated profit and loss account for the six months ended 30 June 2000 has not been reviewed in accordance with SAS 700. As disclosed in note 1 to the interim financial report, the comparative amounts for the condensed consolidated cash flow statement in respect of the six months ended 30 June 2001 have not been prepared.

**Ernst & Young**

*Certified Public Accountants*

Hong Kong  
26 September 2001