

SUBSTANTIAL SHAREHOLDERS

As at June 30, 2001, the register of substantial shareholders maintained by the Company pursuant to section 16(1) of the SDI Ordinance showed that the following shareholders had an interest of 10% or more of the issued share capital of the Company:

Name of Shareholders	Number of shares held	Approximate percentage of issued shares	Notes
Regulator Holdings Limited ("Regulator")	974,352,360	46.87%	
Yugang International (B.V.I.) Limited ("Yugang-BVI")	1,079,592,360	51.93%	1
Yugang International Limited ("Yugang")	1,079,592,360	51.93%	2
Chongqing Industrial Limited ("Chongqing")	1,079,592,360	51.93%	3
Mr. Cheung Chung Kiu	1,079,592,360	51.93%	4

Notes:

1. Such interests include the 974,352,360 shares held by Regulator and 105,240,000 shares representing 5.06% held by Bookman Properties Limited ("Bookman"). Regulator and Bookman are respectively a direct and an indirect wholly-owned subsidiary of Yugang-BVI. Yugang-BVI is taken to be interested in the said shares by virtue of its interests in Regulator and Bookman.
2. Such interests are duplicated with those of Yugang-BVI as disclosed herein. Yugang is taken to be interested in the said shares by virtue of its interests in Yugang-BVI shares.
3. Such interests are duplicated with those of Yugang as disclosed herein. Chongqing is taken to be interested in the said shares by virtue of its interests in Yugang shares.
4. Such interests are duplicated with those of Chongqing as disclosed herein. Mr. Cheung Chung Kiu is taken to be interested in the said shares by virtue of his interest in Chongqing shares.

Save as disclosed above, the Company had not been notified of any other interests representing 10% or more of the issued share capital of the Company as at June 30, 2001.