

OTHER INFORMATION**Review of Interim Financial Statements**

The Audit Committee has reviewed with management and the external auditors, Deloitte Touche Tohmatsu, the accounting principles and practices adopted by the Group and discuss internal controls and financial reporting matters including the review of the unaudited interim financial statements.

Interim Dividend

The Directors have declared an interim dividend of HK3 cents (2000: HK6 cents) per share in respect of the six months ended 30th September, 2001 to be payable on 10th January, 2002 to shareholders whose names are on the Register of Members on 31st December, 2001.

Closure of Register of Members

The Register of Members of the Company will be closed from 27th December, 2001 to 31st December, 2001, both days inclusive, during which period no share transfer will be effected.

In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong Branch Registrars of the Company, Central Registration Hong Kong Limited of 17th Floor, 183 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on 24th December, 2001.

Directors' Interests in Shares and Share Options

As at 30th September, 2001, the interests of the directors, and their associates in the share capital of the Company and its associated corporations recorded in the register kept by the Company pursuant to section 29 of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance") were as follows:

Name of Company	Name of Director	Personal interests	Family interests	Corporate interests	Other interests
The Company	Siu Tit Lung (Notes 1, 2 & 4)	30,431,093	—	—	246,093,750
	Siu Yuk Lung (Notes 1, 3 & 4)	30,431,093	—	—	246,093,750
	Mak Koon Chi	3,375,000	—	—	—
	Wai Lung Shing	3,375,000	—	—	—
	Fung Wai Hing	1,265,625	—	—	—
Lung Kee Metal Holdings Limited ("LKMH"), a subsidiary of the Company	Siu Tit Lung (Note 5)	2,375,000	—	—	—
	Siu Yuk Lung (Note 5)	2,375,000	—	—	—
	Wai Lung Shing	562,500	—	—	—
	Mak Koon Chi	562,500	—	—	—

Notes:

- (1) Messrs. Siu Tit Lung and Siu Yuk Lung jointly held 27,602,968 shares in the Company and each owned a further 2,828,125 shares in the Company registered in their own name.
- (2) Rickdee Investments Limited, which is wholly-owned by a discretionary trust of which the family members of Mr. Siu Tit Lung other than Mr. Siu Tit Lung himself are beneficiaries, held 46,875,000 shares in the Company.
- (3) Robin Hill Investments Limited, which is wholly-owned by a discretionary trust of which the family members of Mr. Siu Yuk Lung other than Mr. Siu Yuk Lung himself are beneficiaries, held 46,875,000 shares in the Company.
- (4) Pan Island Investments Limited, which is wholly-owned by a discretionary trust of which the family members of Messrs. Siu Tit Lung and Siu Yuk Lung other than Messrs. Siu Tit Lung and Siu Yuk Lung themselves are beneficiaries, held 199,218,750 shares in the Company.
- (5) Messrs. Siu Tit Lung and Siu Yuk Lung jointly held 1,875,000 shares in LKMH and each owned a further 500,000 Shares in LKMH.

LUNG KEE (BERMUDA) HOLDINGS LIMITED

At 30th September, 2001, certain directors had personal interests in options to subscribe for shares in the Company granted under the share option scheme of the Company as follows:

Name of director	Number of share options					Exercisable period	Exercise price per share HK\$
	At 1st April, 2001	Granted during the period	Exercised during the period	Lapsed during the period	At 30th September, 2001		
Siu Tit Lung	375,000	—	—	375,000	—	01/05/1998 – 30/04/2001	1.492
	375,000	—	—	375,000	—	03/09/1998 – 02/09/2001	0.964
	750,000	—	—	750,000	—		
Siu Yuk Lung	375,000	—	—	375,000	—	01/05/1998 – 30/04/2001	1.492
	375,000	—	—	375,000	—	03/09/1998 – 02/09/2001	0.964
	750,000	—	—	750,000	—		
Mak Koon Chi	375,000	—	—	375,000	—	01/05/1998 – 30/04/2001	1.492
	375,000	—	—	375,000	—	03/09/1998 – 02/09/2001	0.964
	375,000	—	375,000	—	—	29/09/1999 – 28/09/2002	0.440
	500,000	—	500,000	—	—	26/10/1999 – 25/10/2002	0.580
	1,625,000	—	875,000	750,000	—		
Wai Lung Shing	375,000	—	—	375,000	—	01/05/1998 – 30/04/2001	1.492
	375,000	—	—	375,000	—	03/09/1998 – 02/09/2001	0.964
	375,000	—	375,000	—	—	29/09/1999 – 28/09/2002	0.440
	500,000	—	500,000	—	—	26/10/1999 – 25/10/2002	0.580
	1,625,000	—	875,000	750,000	—		
Fung Wai Hing	375,000	—	—	375,000	—	01/05/1998 – 30/04/2001	1.492
	375,000	—	—	375,000	—	03/09/1998 – 02/09/2001	0.964
	375,000	—	375,000	—	—	29/09/1999 – 28/09/2002	0.440
	500,000	—	500,000	—	—	26/10/1999 – 25/10/2002	0.580
	1,625,000	—	875,000	750,000	—		

LUNG KEE (BERMUDA) HOLDINGS LIMITED

At 30th September, 2001, two directors had personal interests in options to subscribe for shares in LKMH granted under the share option scheme of LKMH as follows:

Name of director	Number of share options				Exercisable period	Exercise price per share S\$
	At 1st April, 2001	Granted during the period	Exercised during the period	At 30th September, 2001		
Mak Koon Chi	562,500	—	—	562,500	15/01/1999 – 14/01/2003	0.564
	562,500	—	—	562,500	23/12/2000 – 22/12/2004	0.592
	562,500	—	—	562,500	07/08/2001 – 06/08/2005	0.508
	<u>1,687,500</u>	—	—	<u>1,687,500</u>		
Wai Lung Shing	562,500	—	—	562,500	15/01/1999 – 14/01/2003	0.564
	562,500	—	—	562,500	23/12/2000 – 22/12/2004	0.592
	562,500	—	—	562,500	07/08/2001 – 06/08/2005	0.508
	<u>1,687,500</u>	—	—	<u>1,687,500</u>		

Save as disclosed above, and other than certain nominee shares in subsidiaries held in trust for the Group, at 30th September, 2001, (i) none of the directors or their associates had any interests in any securities of the Company or any of its associated corporations as defined in the SDI Ordinance; and (ii) none of the directors or their spouses or children under 18 had any right to subscribe for the securities of the Company, or had exercised any such right during the period.

Substantial Shareholders

As at 30th September, 2001 according to the register required to be kept under section 16(1) of the SDI Ordinance, the shareholders who were interested in 10% or more of the issued share capital of the Company were as follows:

	Number of shares held
Pan Island Investments Limited	199,218,750
Rickdee Investments Limited	46,875,000
Robin Hill Investments Limited	46,875,000

Save as disclosed above, no other person is recorded in the register as having an interest of 10% or more of the issued share capital of the Company.

Purchase, Sale or Redemption of Securities

There was no purchase, sale or redemption of shares or other securities of the Company by the Company or any of its subsidiaries during the six months ended 30th September, 2001.

Code of Best Practice

During the six months ended 30th September, 2001, the directors are not aware of any information that would indicate that the Company was not 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 of Hong Kong Limited.

On behalf of the Board
Siu Yuk Lung
Managing Director

Hong Kong, 7th December, 2001