



CHARGES ON THE GROUP'S ASSETS

At 30 September 2001, the amount of the Group's assets pledged as security for banking facilities was HK\$59 million (31 March 2001: HK\$43 million).

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

During the six months ended 30 September 2001, there has been no purchase, sale or redemption by the Company or any of its subsidiaries of the Company's listed shares.

AUDIT COMMITTEE

The Audit Committee of the Company has reviewed and approved the interim accounts and the related accounting principles and practices adopted by the Group and discussed on the internal control and financial reporting matters of the Group.

DIRECTORS' INTERESTS IN THE SECURITIES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

At 30 September 2001, the interests of the Company's directors in the shares of the Company recorded in the register required to be kept under Section 29 of the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance") were as follows:

Name of Director	Notes	Number of the Company's shares held and nature of interest	
		Personal interests	Other interests
Mr Lau Kwai	(a)	1,500,000	87,696,000
Mr Lau Chung Yim	(b)	16,812,000	42,078,400
Mr Lau Chung Hung		17,000,000	–
Mr Lau Hing Hai	(c)	–	15,851,200
Ms Lau May Wah	(d)	1,500,000	17,539,200
Mr Lau Chung Man		5,070,000	–
Mr Chan Wai Nam		1,100,000	–



Notes:

- (a) The shares held under other interests are held by Woohei Inc. as trustee of The Woohei Unit Trust, all the units (other than one unit which is beneficially owned by Mr Lau Kwai's spouse, Ms Fong Shun Yum) of which are beneficially owned by The Lau Kwai Trust, a discretionary trust the beneficiaries of which include the spouse and issue of Mr Lau Kwai.
- (b) The shares held under other interests are held by Dragon Power Inc. as trustee of The Dragon Power Unit Trust, all the units (other than one unit which is beneficially owned by Mr Lau Chung Yim's spouse, Ms Tam Wai Ling, Josephine) of which are beneficially owned by The Jopat Trust, a discretionary trust the beneficiaries of which include Mr Lau Chung Yim, his spouse and issue.
- (c) The shares held under other interests are held by Inland Inc. as trustee of The Inland Unit Trust, all the units (other than one unit which is beneficially owned by Mr Lau Hing Hai's spouse, Ms Chan Ka Lam) of which are beneficially owned by The Hingka Trust, a discretionary trust the beneficiaries of which include Mr Lau Hing Hai, his spouse and issue.
- (d) The shares held under other interests are held by Joybless Inc. as trustee of The Joybless Unit Trust, all the units (other than one unit which is beneficially owned by Mr Lau Chung Yim) of which are beneficially owned by The Lau May Wah Trust, a discretionary trust the beneficiaries of which include the issue of Ms Lau May Wah.

The interests of the directors in the share options of the Company are separately disclosed in the following section headed "Directors' rights to subscribe for shares of the Company".

In addition to the above, Mr Lau Chung Yim and Mr Lau Hing Hai hold shares in certain subsidiaries of the Company in a non-beneficial capacity, solely for the purpose of complying with the minimum company membership requirements.

Save as disclosed above, none of the directors and chief executives of the Company or their associates had any personal, family, corporate or other interests in the securities of the Company or its associated corporations (as defined in the SDI Ordinance) as recorded in the register required to be kept under Section 29 of the SDI Ordinance, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.



DIRECTORS' RIGHTS TO SUBSCRIBE FOR SHARES OF THE COMPANY

The details of share options to subscribe for ordinary shares of the Company granted to the directors of the Company as recorded in the register required to be maintained pursuant to Section 29 of the SDI Ordinance were set out below:

Name of director	Number of share options at 1 April 2001	Number of share options granted/ exercised/ lapsed during the period	Number of share options outstanding at 30 September 2001	Exercise period of share options	Exercise price per share HK\$
Mr Lau Kwai	1,500,000	-	1,500,000	From 7 January 2000 to 6 January 2003	0.262
Mr Lau Chung Yim	1,500,000	-	1,500,000	From 7 January 2000 to 6 January 2003	0.262
Mr Lau Chung Hung	3,000,000	-	3,000,000	From 7 January 2000 to 6 January 2003	0.262
Mr Lau Hing Hai	3,000,000	-	3,000,000	From 7 January 2000 to 6 January 2003	0.262
Ms Lau May Wah	1,500,000	-	1,500,000	From 7 January 2000 to 6 January 2003	0.262
	<u>10,500,000</u>	<u>-</u>	<u>10,500,000</u>		

Save as disclosed above, no rights to subscribe for equity or debt securities of the Company had been granted to or exercised by any director or chief executive of the Company or their associates as recorded in the register required to be kept under Section 29 of the SDI Ordinance, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.



SUBSTANTIAL SHAREHOLDERS

At 30 September 2001, the following interests of 10% or more in the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 16(1) of the SDI Ordinance:

Name	Number of shares held
Woohei Inc.	87,696,000
Dragon Power Inc.	42,078,400

These interests have also been disclosed as “Other interests” of Mr Lau Kwai and Mr Lau Chung Yim respectively, in the section headed “Directors’ interests in the securities of the Company or its associated corporations” above.

Save as disclosed above, no person had registered an interest in the share capital of the Company as recorded in the register required to be kept under Section 16(1) of the SDI Ordinance as at 30 September 2001.

CODE OF BEST PRACTICE

None of the directors of the Company is aware of any information that would reasonably indicate that the Company had not been for any part of the accounting period for the six months ended 30 September 2001, in compliance with the Code of Best Practice as set out in Appendix 14 of the Listing Rules.

On behalf of the Board
Lau Kwai
Chairman

Hong Kong, 12 December 2001