



## Employees

As at 30th September, 2001, the Group has on its payroll 221 (2000: 305) employees in Hong Kong, 3,615 (2000: 6,409) in Mainland China and 99 (2000: 64) in Singapore representing decreases of about 27.5% and 43.6% and an increase of 54.7% respectively when compared with prior year. In addition to salary payment and normal fringe benefits such as annual leave, medical insurance and provident fund, the Group also has a Share Option Scheme for executive directors and senior staff.

## Appreciation

On behalf of the Board of Directors, I wish to thank our shareholders, customers and suppliers for their continuing support to the Group and to extend my appreciation to all members of staff for their dedication and contribution throughout the period.

### DIRECTORS' INTERESTS IN SECURITIES

As at 30th September, 2001, the interests of the Directors and their associates in the issued share capital of the Company and its associated corporations, within the meaning of the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance"), as recorded in the register maintained by the Company pursuant to Section 29 of the SDI Ordinance and in the share options of the Company were as follows:

Name of Director	Nature of interests	Number of ordinary shares held			Total options held	
		Personal interests	Family interests	Other interests		
Tam Wai Ho, Samson	Notes 1 and 2	4,000,000	-	537,877,118	541,877,118	5,100,000
Tam Wai Tong, Thomas	Notes 1 and 2	7,000,000	-	537,877,118	544,877,118	5,100,000
Tam Mui Ka Wai, Vivian	Notes 1 and 2	1,500,000	-	537,877,118	539,377,118	2,400,000
Lo Chi Chung, William	Note 2	2,150,000	-	-	2,150,000	3,300,000
Kazuhiro Otani	Note 2	-	-	-	-	7,000,000
Lee Koon Hung	Note 2	926,000	450,000	-	1,376,000	4,350,000
Chui Wing Kay, Lawrence	Note 2	1,000,000	-	-	1,000,000	1,500,000
Fok Ting Yeung, James	Note 2	-	-	-	-	1,400,000
Yung Wing Ki, Samuel	-	830,000	-	-	830,000	-

Notes:

1. The 537,877,118 shares are registered in the name of Earnmill Holdings Limited, a company ultimately beneficially owned by The Samson 1992 Trust and The Thomas 1992 Trust in equal shares. The Samson 1992 Trust is a discretionary trust, the discretionary beneficiaries of which include Mr. Tam Wai Ho, Samson and Mrs. Tam Mui Ka Wai, Vivian. The Thomas 1992 Trust is a discretionary trust, the discretionary beneficiaries of which include Mr. Tam Wai Tong, Thomas and Mrs. Tam Ng Lai Yuen, Jocelyn (spouse of Mr. Tam Wai Tong, Thomas).
2. Pursuant to the share option scheme adopted by the Company, the following Directors and their associates have been granted share options to subscribe for shares in the Company, as follows:

Name of Director	Number of share options		At 30.9.2001	Exercise price per share (subject to adjustment) HK\$	
	At 1.4.2001	Granted during the period			Exercised during the period
Tam Wai Ho, Samson	2,500,000	-	-	2,500,000	0.39
	800,000	-	-	800,000	0.38
	800,000	-	-	800,000	0.65
	-	1,000,000	-	1,000,000	0.21
Tam Wai Tong, Thomas	2,500,000	-	-	2,500,000	0.39
	800,000	-	-	800,000	0.38
	800,000	-	-	800,000	0.65
	-	1,000,000	-	1,000,000	0.21
Tam Mui Ka Wai, Vivian	1,000,000	-	-	1,000,000	0.39
	500,000	-	-	500,000	0.38
	500,000	-	-	500,000	0.65
	-	400,000	-	400,000	0.21
Lo Chi Chung, William	500,000	-	-	500,000	0.39
	500,000	-	-	500,000	0.38
	500,000	-	-	500,000	0.65
	-	1,800,000	-	1,800,000	0.21
Kazuhiro Otani	2,500,000	-	-	2,500,000	0.49
	2,500,000	-	-	2,500,000	0.39
	500,000	-	-	500,000	0.38
	500,000	-	-	500,000	0.65
Lee Koon Hung	-	1,000,000	-	1,000,000	0.21
	450,000	-	-	450,000	0.32
	1,200,000	-	-	1,200,000	0.39
	700,000	-	-	700,000	0.38
Chui Wing Kay, Lawrence	700,000	-	-	700,000	0.65
	-	1,300,000	-	1,300,000	0.21
	500,000	-	-	500,000	0.65
	-	1,000,000	-	1,000,000	0.21
Fok Ting Yeung, James	500,000	-	-	500,000	0.38
	500,000	-	-	500,000	0.65
	-	400,000	-	400,000	0.21

Mr. Tam Wai Ho, Samson and Mr. Tam Wai Tong, Thomas hold non-voting deferred shares in Group Sense Limited, a subsidiary of the Company.

The wife of Mr. Lee Koon Hung is an employee of the Company within the meaning of the Company's Share Option Scheme, and was granted share options of the Company. Such share options were included under the interests in share options of Mr. Lee Koon Hung set out above.



Save as disclosed above, and other than certain nominee shares in subsidiaries held by Directors in trust for the Group, at 30th September, 2001 (i) none of the Directors or their associates had any personal interests, family interests, corporate interests or other 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 the age of 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 kept by the Company pursuant to Section 16(1) of the SDI Ordinance, other than the interests of the Directors and their associates disclosed above, no person as having an interest of 10% or more of the issued share capital of the Company.

#### PURCHASE, SALE OR REDEMPTION OF LISTED SHARES

During the six months ended 30th September, 2001, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

#### AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of the unaudited interim condensed financial statements.

#### CODE OF BEST PRACTICE

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

By Order of the Board  
**Group Sense (International) Limited**  
**Tam Wai Ho, Samson**  
*Chairman*

Hong Kong, 19th December, 2001

Website: <http://www.gsl.com.hk>