

SUPPLEMENTARY INFORMATION

Directors' interests in shares

As at the date of this report, the interests of the directors and their associates in the shares 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 under Section 29 of the SDI Ordinance or as notified to the Company were as follows:

	Personal interests	Family interests	Number of shares		Total
			Corporate interests	Other interests	
Yip Man Fan	–	7,500,000 <i>(Note 1)</i>	120,000,000 <i>(Note 2)</i>	–	127,500,000

Notes:

- Shares are held by Ms. Tang Yuk Lan, the spouse of Mr. Yip Man Fan.
- The corporate interests are held by Aceland Holdings Ltd., a company beneficially wholly owned by Mr. Yip Man Fan.

Directors' interests in options

Under a pre-listing share option scheme approved by the shareholders, the Directors of the Company may, at their absolute discretion, invite full-time or part-time employees including directors, or bona fide consultants of the Company or any of its subsidiaries to take up options to subscribe for shares in the Company representing up to a maximum of 10% of the shares in issue from time to time (excluding shares issued or exercise of options under the share option scheme).

On 22nd February 2002, share options to subscribe for 4,000,000 and 16,000,000 shares were granted to the Directors of the Company and certain employees and bona fide consultants of the Group respectively. The share options are exercisable at the subscription price of HK\$0.72 per share and exercisable at any time from 22nd February 2003 to 7th January 2012. At the date before the options were granted, 21st February 2002, the market value per share was HK\$0.65.

The following Directors of the Company have interests in share options to subscribe for shares in the Company:

	Personal interests	Number of shares			Total
		Family interests	Corporate interests	Other interests	
Yip Man Fan	2,000,000	–	–	–	2,000,000
Kwok Kam Hoi	2,000,000	–	–	–	2,000,000

Substantial shareholders

As at the date of this report, the register of substantial shareholders maintained under Section 16(1) of the SDI Ordinance shows that the Company had been notified of the following substantial shareholders' interests, being 10% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the Directors.

Name of shareholder	Note	Number of ordinary shares	Percentage of holding
Aceland Holdings Ltd.	1	120,000,000	60.00%
Redwood Pacific Limited	2 & 5	120,000,000	60.00%
HSBC International Trustee Limited	3 & 5	120,000,000	60.00%
HSBC Investment Bank Holdings B.V.	4 & 5	120,000,000	60.00%
HSBC Holdings B.V.	4 & 5	120,000,000	60.00%
HSBC Finance (Netherlands)	4 & 5	120,000,000	60.00%
HSBC Holdings plc	4 & 5	120,000,000	60.00%
Tang Yuk Lan	6	127,500,000	63.75%
Tsunoyama Toru		22,500,000	11.25%

Notes:

1. Aceland Holdings Ltd. is the trustee of The Yip Unit Trust, which holds 60% of the shareholdings of the Company.
2. Redwood Pacific Limited is the trustee of The Yip Man Fan Unit Trust, which holds 100% of those units in The Yip Unit Trust.
3. HSBC International Trustee Limited is the trustee of The Yip Man Fan Family Trust, which holds 99.99% of the units in The Yip Man Fan Unit Trust.
4. HSBC International Trustee Limited is a beneficially wholly owned subsidiary of HSBC Investment Bank Holdings B.V., HSBC Holdings B.V., HSBC Finance (Netherlands) and HSBC Holdings plc.
5. Under the SDI Ordinance, each of Redwood Pacific Limited, HSBC International Trustee Limited, HSBC Investment Bank Holdings B.V., HSBC Holdings B.V., HSBC Finance (Netherlands) and HSBC Holdings plc is taken to have an interest in the same 120,000,000 ordinary shares held by Aceland Holdings Ltd. These shares therefore duplicate each other.
6. Ms. Tang Yuk Lan is the spouse of Mr. Yip Man Fan. Under the SDI Ordinance, each of Mr. Yip Man Fan and Ms. Tang Yuk Lan is taken to have interest in the shares held by each other. These shares therefore duplicate each other.

Purchase, Sale or Redemption of Shares

Up to the date of this report, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's own shares.

Corporate Governance

None of the Directors of the Company is aware of any information which would indicate that the Group is not, or was not, in compliance with the Code of Best Practice as set out in Appendix 14 to the Listing Rules of The Stock Exchange of Hong Kong Limited at any time during the six months ended 31st December 2001.

Audit Committee

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited interim accounts for the six months ended 31st December 2001.