

# ADDITIONAL INFORMATION REQUIRED BY THE LISTING RULES

### **Directors' Interests in Securities**

# (i) Shares

As at 31 December 2001, the interests of the directors, chief executives and their associates in the share capital of the Company and its associated corporations, within the meaning of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance") as recorded in the register maintained by the Company pursuant to Section 29 of the SDI Ordinance or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

	I	Number of ordinary shares of the Company held			
Name of director	Personal Interests	Family Interests	Other Interests	Total Interests	
Lee Chun Kwok	10	-	371,503,868 (Note 1)	371,503,878	
Fong Wing Seng	10	-	371,503,868 (Note 1)	371,503,878	
Lai Ping Keung	2,180,000	8,930,000 (Note 2)	-	11,110,000	

Notes:

- These shares are held through Princesa Holdings Limited, 53.94% of which is owned by Otta Trading Limited as trustee of a unit trust, all the units of which are held by a discretionary trust established for the spouse and issue of Mr Lee Chun Kwok and 46.06% of which is owned by Primecone Inc. as trustee of a unit trust, all the units of which are held by a discretionary trust established for the spouse and issue of Mr Fong Wing Seng.
- 2. These shares are owned by Ms Fong Kit Ting, the wife of Mr Lai Ping Keung, Mr Lai Ping Keung is deemed to be interested in such shares pursuant to the SDI Ordinance.



#### (ii) Share Options

The Company has a share option scheme under which the directors may, at their discretion, grant options to employees, including any directors, of the Company or its subsidiaries to subscribe for shares in the Company, subject to the terms and conditions stipulated. As at 31 December 2001, the outstanding share options granted to certain directors of the Company were as follows:

		Number of			share options	
			Outstanding	Exercised	Outstanding	
	Exercisable	Exercise	as at	during	as at	
Name of director	on or after	price	1 July 2001	the period	31 December 2001	
		HK\$				
Lee Chun Kwok	27 November 1993	0.0424	6,324,528	-	6,324,528	
	27 November 1994	0.0424	6,324,528	-	6,324,528	
	1 July 1995	0.0176	12,654,545	-	12,654,545	
	1 July 1996	0.0176	12,654,545	-	12,654,545	
Fong Wing Seng	27 November 1993	0.0424	6,324,528	-	6,324,528	
	27 November 1994	0.0424	6,324,528	-	6,324,528	
	1 July 1995	0.0176	12,654,545	-	12,654,545	
	1 July 1996	0.0176	12,654,545	-	12,654,545	
Xu Yang Sheng	3 January 2001	0.0135	31,600,000	(31,600,000)	-	
(Note)	3 January 2002	0.0135	47,400,000	-	-	

Note: Mr Xu Yang Sheng resigned as non-executive director of the Company with effect from 23 October 2001. He was also no longer an employee of the Group as at 31 December 2001 and has ceased to have the entitlement of all share options of the Company.

The closing market price of the Company's shares at 31 December 2001 was HK\$0.057 per share.

No options were granted to the directors of the Company during the six months ended 31 December 2001.

Save as aforesaid and other than certain nominee shares in subsidiaries held by Mr Lee Chun Kwok in trust of the Group, at 31 December 2001:

- none of the directors, chief executives or their associates had any interest in the share capital of the Company or its associated corporations as recorded in the register to be kept under Section 29 of the SDI Ordinance; and
- (ii) none of the directors or chief executives or their spouses or children under 18 had any right to subscribe for securities of the Company, or had exercised any such right during the six months ended 31 December 2001.

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### Substantial Shareholders

As at 31 December 2001, the register of substantial shareholders maintained by the Company under Section 16(1) of the SDI Ordinance showed that the following shareholders had an interest of 10% or more in the issued share capital of the Company:

Name of shareholder	Number of ordinary shares held	Approximate shareholding percentage
Liu Kuo Hui <i>(Note)</i>	1,272,770,000	19.47%
Kimasset Holdings Limited	1,200,000,000	18.36%

Note: The interest of Mr Liu Kuo Hui (alias Mr Lau Kwok Fai) for 1,200,000,000 ordinary shares of the Company are held through Kimasset Holdings Limited, which is wholly-owned by Mr Liu Kuo Hui.

Save as disclosed above, the Company has not been notified of any other parties having an interest of 10% or more of the issued share capital of the Company as at 31 December 2001.

### Directors' Rights to Acquire Shares or Debentures

Save as disclosed above, at no time during the period was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

### Interim Dividend

The directors do not recommend the payment of an interim dividend for the six months ended 31 December 2001 (2001: Nil).

### Purchase, Sale or Redemption of the Company's Listed Securities

During the six months ended 31 December 2001, neither the Company nor any of its subsidiaries has purchased, sold nor redeemed any of the Company's listed securities.

### Compliance with the Code of Best Practice

In the opinion of the Directors, the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules of the Stock Exchange throughout the accounting period covered by the interim report.

## Audit Committee

The Audit Committee, comprising two Independent Non-executive Directors of the Company, has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the Group's unaudited interim financial statements for the six months ended 31 December 2001. At the request of the Directors, the Company's external auditors, Messrs HLB Hodgson Impey Cheng, have carried out a review of the unaudited interim financial statements in accordance with the Statement of Auditing Standards 700 "Engagement to review interim financial reports" issued by the Hong Kong Society of Accountants.