

SUBSTANTIAL SHAREHOLDERS

As of 30 June 2002, according to the register kept by the Company under Section 16(1) of the SDI Ordinance, the following shareholder had interest in or taken or deemed to be interested in 10 per cent. or more of the nominal value of the issued share capital of the Company:

Name	Number of shares	Notes
Tian An China Hotel and Property Investments Company Limited ("TACHP")	25,000,000,000	1, 8
Tian An	27,174,282,000	1, 2, 8
Sun Hung Kai & Co. Limited ("SHK")	27,174,282,000	2, 3, 8
AP Emerald Limited ("APE")	27,174,282,000	2, 4, 8
Grace Crown Limited ("GCL")	27,174,282,000	2, 5, 8
Allied Properties (H.K.) Limited ("APL")	27,174,282,000	2, 6, 8
Allied Group Limited ("AGL")	27,174,282,000	2, 7, 8
Best Advantage Limited ("BAL")	7,200,000,000	8

Notes:

1. The figure referred to the aggregate holding of 17,800,000,000 shares held by TACHP and also included the deemed interest in the 7,200,000,000 shares charged by Mr. Ng Siu Chun ("Mr. Ng") to BAL.
2. The figure referred to the aggregate holding of 2,174,282,000 shares held by Oasis Star Limited, a wholly owned subsidiary of Tian An Industrial Investments Company Limited ("TAIICL"), 17,800,000,000 shares held by TACHP and also included the deemed interest in the 7,200,000,000 shares charged by Mr. Ng to BAL. Both TACHP and TAIICL were wholly owned subsidiaries of Tian An.
3. SHK held a total of 43.27% interest directly and indirectly in Tian An and was therefore deemed to have interest in the shares.
4. APE was entitled to exercise or control the exercise of more than one-third of the voting power at general meetings of SHK and was therefore deemed to have interest in the shares.
5. GCL owned 100% interest in the issued share capital of APE and was therefore deemed to have interest in the shares.

6. APL owned 100% interest in the issued share capital of GCL and was therefore deemed to have interest in the shares.
7. AGL was the holding company of APL and was therefore deemed to have interest in the shares.
8. On 20th December, 2001, Mr. Ng has entered into a share charge with BAL, a wholly owned subsidiary of TACHP whereby Mr. Ng charged his 7,200,000,000 shares in the Company to BAL to secure the due observance and performance by Mr. Ng of his obligations under a sale and purchase agreement and a supplemental agreement entered among, inter alia, Mr. Ng and BAL.

Save as disclosed herein, the directors and the chief executives of the Company are not aware of any person, who has direct or indirect interest in 10 per cent. or more of the nominal value of the issued share capital of the Company as at 30 June 2002.

PURCHASE, SALE AND REDEMPTION OF SHARES

For the six months period ended 30th June, 2002, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's shares.

AUDIT COMMITTEE

The audit committee of the Company has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including a review of the unaudited interim financial statements for the six months ended 30th June, 2002 ("Interim Financial Statements"). At the request of the Directors, the Group's external auditors have carried out a review of the Interim Financial Statements in accordance with Statement of Auditing Standards 700 "Engagements to review interim financial reports" issued by HKSA.

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 to the Listing Rules throughout the accounting period covered by the interim results, except that the non-executive directors were not appointed for a specific term since they are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provision of the Company's bye-laws.

By the Order of the Board

Ng Qing Hai

Chief Executive Officer