

OTHER INFORMATION

Directors' interests in shares, options and warrants

At 30th June, 2002, the interests of the directors and their associates, within the meaning of the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance"), in the shares and options of the Company 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 pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

(i) **Shares**

Name of director	Number of ordinary shares	Category of interest
Mr. Lu Wing Lin	94,000	Personal

(ii) **Options**

Name of directors	Date of grant	Option price HK\$	Exercisable period	Number of shares to be issued upon exercise of remaining options at 1st January, 2002	Number of option shares granted during the period	Number of shares to be issued upon exercise of remaining options at 30th June, 2002
Lu Wing Chi	11.8.1992	1.85	11.8.1992-10.8.2002	10,000,000	-	10,000,000
	21.2.1994	4.40	21.2.1994-20.2.2004	2,200,000	-	2,200,000
	4.12.2000	1.44	4.12.2000-3.12.2010	12,500,000	-	12,500,000
Lu Wing Yuk, Andrew	11.8.1992	1.85	11.8.1992-10.8.2002	3,000,000	-	3,000,000
	4.12.2000	1.44	4.12.2000-3.12.2010	3,000,000	-	3,000,000
Lu Wing Lin	11.8.1992	1.85	11.8.1992-10.8.2002	8,000,000	-	8,000,000
	18.11.1993	2.78	18.11.1993-17.11.2003	3,500,000	-	3,500,000
	4.12.2000	1.44	4.12.2000 - 3.12.2010	12,500,000	-	12,500,000

Other than as disclosed above, none of the directors or chief executive, nor their associates, had any interests in any securities of the Company or any of its associated corporations as defined in the SDI Ordinance, and none of the directors or chief executives, nor 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 June, 2002, the register of substantial shareholders maintained under Section 16(1) of the SDI Ordinance showed that the following shareholders had an interest of 10% or more in the share capital of the Company:

Substantial shareholders	Number of ordinary shares held	
	Direct interest	Indirect interest
Nan Luen International Limited ("Nan Luen")	245,277,811	–
JCS Limited ("JCS") (Note)	–	245,277,811

Note: JCS is deemed to have an interest in 245,277,811 shares under Section 8 of the SDI Ordinance by virtue of its direct controlling interest in Nan Luen.

Other than as disclosed above, the Company has not been notified of any other interests representing 10% or more of the Company's issued share capital as at 30th June, 2002.

Dealings in the company's listed securities

During the half year ended 30th June 2002, there was no purchase, sale or redemption by the Company or any of its subsidiaries, of the Company's listed shares or warrants.

Employees

The Group employed 200 staffs at 30th June 2002. Salaries are reviewed annually in conjunction with employee performance appraisals. Fringe benefits including tuition/training subsidies, provident fund and medical insurance are offered to most employees. Share options are granted to executives of the Group at the discretion of the directors.

Audit committee

Regular meetings have been held by the committee since its establishment. The committee meets at least twice each year.

At the request of the directors, the interim financial report of the Company for the half year ended 30th June, 2002 has been reviewed by our auditors, Messrs. Deloitte Touche Tohmatsu, in accordance with the Statement of Auditing Standard 700 "Engagements to Review Interim Financial Reports" issued by the Hong Kong Society of Accountants and an unmodified review conclusion has been issued.

Code of best practice

The company has complied throughout the period covered by the interim report with the Code of best practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, except that non-executive directors are not appointed for a specific term.

By order of the Board

Lu Ho

Chairman

Hong Kong, 30th August, 2002