

**DISCLOSURE OF ADDITIONAL INFORMATION****Director's interest in shares** (continued)*(b) Interest in an associated corporation*

As mentioned above, Mr. Lam Yat Sing beneficially owns the entire issued share capital of Prosperous Statesman, the Company's holding company.

Save as disclosed above, none of the Directors, chief executives or their associates had any personal, family, corporate or other interests in the equity securities of the Company or any of its associated corporations as defined in the SDI Ordinance.

**Directors' rights to acquire shares or debentures**

Apart from as disclosed under the paragraph headed "Director's interest in shares" above, at no time during the Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

**Share option scheme**

On 6 June 2002, a new share option scheme (which is complied with amended Chapter 17 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited (the "Listing Rules") was adopted whereas the Company's old share option scheme adopted on 23 July 2001 was terminated. No share options have been granted by the Company under either of the share option schemes.

**Substantial shareholders**

As at 30 June 2002, the following interest of 10% or more of the issued share capital of the Company was recorded in the register of interests required to be kept by the Company pursuant to Section 16(1) of the SDI Ordinance.

<b>Name</b>	<b>Number of shares held</b>	<b>Percentage of the Company's share capital</b>
Prosperous Statesman	737,925,000#	59.3%

# The interest is also disclosed under the paragraph headed "Director's interest in shares" disclosed above.

**DISCLOSURE OF ADDITIONAL INFORMATION****Substantial shareholders** (continued)

Save as disclosed above, no person, other than a Director, whose interest is set out in the paragraph headed "Director's interest in shares" above, had registered an interest of 10% or more in the share capital of the Company as at 30 June 2002 that was required to be recorded under Section 16(1) of the SDI Ordinance.

**Purchase, redemption or sale of listed securities of the Company**

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the Period.

**Code of best practice**

None of the Directors is aware of information that would reasonably indicate that the Company is not, or was not for any part of the Period in compliance with the Code of Best Practice (the "Code") as set out in appendix 14 of the Listing Rules.

**Audit Committee**

The Company has an Audit Committee which was established in accordance with the requirements of the Code for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee comprises the two independent non-executive directors of the Company.

The interim results of the Group for the Period had not been audited, but had been reviewed by the Audit Committee.

On behalf of the Board

**Lam Yat Sing**

*Chairman*

Hong Kong, 25 September 2002