

## DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the section headed "Share Option Scheme" above, at no time during the six months ended 30th September, 2002 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 the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate, and none of the directors, or their spouses or children under the age of eighteen, had any right to subscribe for the securities of the Company, or had exercised any such rights during the period.

## SUBSTANTIAL SHAREHOLDERS

As at 30th September, 2002, the register of substantial shareholders maintained by the Company pursuant to section 16(1) of the SDI Ordinance disclosed the following entities as having an interest of 10% or more of the issued share capital of the Company:

Name of shareholder	Nature of interests	Number of ordinary shares held		Notes
		Direct interests	Deemed interests	
Multiple Wealth International Limited	Corporate	192,318,000	–	1
Pacific Rim Investment Management Enterprises Limited	Corporate	534,600,000	–	1
Hastings Gold Limited	Corporate	–	726,918,000	1
Mainland Talent Developments Limited	Corporate	–	726,918,000	1, 2 and 3
Rymer Group Limited	Corporate	–	726,918,000	1 and 2
Red China Holdings Limited	Corporate	–	726,918,000	1 and 3
Lo Ki Yan, Karen	Corporate	–	726,918,000	1 and 2
Yau Shum Tek, Cindy	Corporate	–	726,918,000	1 and 3

Notes:

1. As at 30th September, 2002, Multiple Wealth International Limited and Pacific Rim Investment Management Enterprises Limited held 192,318,000 ordinary shares and 534,600,000 ordinary shares of the Company, respectively. Multiple Wealth International Limited and Pacific Rim Investment Management Enterprises Limited are wholly-owned subsidiaries of Hastings Gold Limited, which in turn, is a wholly-owned subsidiary of Mainland Talent Developments Limited.
2. Ms. Lo Ki Yan, Karen wholly owns and controls Rymer Group Limited and Rymer Group Limited is interested in 50% of the issued share capital of Mainland Talent Developments Limited. Ms. Lo Ki Yan, Karen is deemed to be interested in 726,918,000 ordinary shares of the Company held by Multiple Wealth International Limited and Pacific Rim Investment Management Enterprises Limited.
3. Ms. Yau Shum Tek, Cindy wholly owns and controls Red China Holdings Limited and Red China Holdings Limited is interested in 50% of the issued share capital of Mainland Talent Developments Limited. Ms. Yau Shum Tek, Cindy is deemed to be interested in 726,918,000 ordinary shares of the Company held by Multiple Wealth International Limited and Pacific Rim Investment Management Enterprises Limited.

Save as disclosed above, the Company has not been notified of any other interests representing 10% or more of the issued share capital of the Company as at 30th September, 2002.

## **PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SHARES**

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares during the six months ended 30th September, 2002.

## **AUDIT COMMITTEE**

The Audit Committee has reviewed with the 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 financial report of the Group for the six months ended 30th September, 2002. In carrying out the review the Audit Committee has relied on the review of the Group's external auditors on the interim financial report as well as obtaining explanations from the management.

## **CORPORATE GOVERNANCE**

None of the directors of the Company is aware of any information that would reasonably indicate that the Company is not, or was not, during the six months ended 30th September, 2002 in compliance with the Code of Best Practice, as set out in Appendix 14 of the Listing Rules.

By Order of the Board  
**Hansom Eastern (Holdings) Limited**  
**Kwong Wai Tim, William**  
*Managing Director*

Hong Kong, 17th December, 2002