

## Notes:

1. Otto Link Technology Limited is beneficially owned as to 80% by Dr. Sze Kwan who is the Chairman of the Company and 20% by Mr. Tung Fai who is a director of the Company.

In order to comply with the minimum public float requirement as stated in rule 8.08(1) of the Listing Rules, Otto Link Technology Limited, the controlling shareholder, disposed of 6,300,000 Shares (equivalent to approximately 1.80% of the existing issued share capital of the Company) to 7 individual investors who are independent third parties, and not connected with any director, chief executive or substantial shareholders of the Company, any of its subsidiaries or their respective associates ("Transaction"). The Transaction was completed on 24 December 2002.

2. Goldwiz Holdings Limited ("Goldwiz Holdings") is the 100% holding company of Goldwiz Technology Limited ("Goldwiz") and is therefore deemed to be interested in the 61,824,000 Shares held by Goldwiz.

Save as disclosed above, the Directors are not aware of any person having a direct or indirect interest of 10% or more in the issued share capital of the Company as at 31 March 2003.

#### SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed at an extraordinary general meeting held on 20 January 2003, the share option scheme adopted by the Company on 22 January 2001 (the "Scheme") was terminated and a new share option scheme (the "New Scheme") was adopted. The purpose of the New Scheme is to provide incentive and to recognise the contribution of the eligible participants, including directors and employees of the Group, to the growth of the Group and to provide more flexibility to the Group in terms of remunerating the participants.

During the nine months ended 31 March 2003, no option was granted, exercised or cancelled by the Company under the Scheme.

#### AUDIT COMMITTEE

The Company established an audit committee on 27 November 2000 with written terms of reference. The duties of the audit committee are to review and to provide supervision over the financial reporting process and internal control system of the Group. The audit committee comprises two independent non-executive directors. The third quarterly results for the nine months ended 31 March 2003 have been reviewed by the audit committee, who were of the opinion that the preparation of such results complied with applicable accounting standards and legal requirements and that adequate disclosures had been made.

#### PURCHASE, SALE OR 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 nine months ended 31 March 2003.

#### CODE OF BEST PRACTICE

None of the directors of the Company is aware of any information which would indicate that the Company is not, or was not, in compliance with the Code of Best Practice as set out in Appendix 14 to the Listing Rules of the Stock Exchange at any time during the nine months ended 31 March 2003.

By Order of the Board  
**SZE Kwan**  
 Chairman

Hong Kong, 26 June 2003