

## INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 30th June, 2003, the interests of the substantial shareholders (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules")), other than directors or chief executives, of the Company in the shares of the Company as recorded in the register required to be kept under section 336 of the SFO are as follows:

### Ordinary shares of HK\$0.10 each in the Company

| Name of shareholder                                    | Capacity                             | Number of shares | Percentage of issued share capital |
|--|--------------------------------------|------------------|------------------------------------|
| RIL ( <i>Note 1</i> )                                  | Beneficial owner                     | 162,000,000      | 45.00                              |
| Greatwood Investment Trading Limited ( <i>Note 2</i> ) | Beneficial owner                     | 73,900,000       | 20.53                              |
| Mr Susanto ( <i>Note 2</i> )                           | Interest of a controlled corporation | 73,900,000       | 20.53                              |

#### Notes:

1. 162,000,000 shares in the Company were held by RIL, a company in which Mr Rusli and Mr Lee held 37.50% and 45.83% equity interests respectively. Accordingly, both Mr Rusli and Mr Lee are deemed to be interested in 162,000,000 shares in the Company. These interests are the same interests of Mr Rusli and Mr Lee as disclosed in the section headed "Interests of directors".
2. These shares were held by Greatwood Investment Trading Limited, which was wholly-owned by Mr Susanto.

All the interests stated above represent long positions. Save as disclosed above, as at 30th June, 2003, none of the substantial shareholders, other than directors or chief executives, of the Company had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

### **INTERESTS OF OTHER PERSONS**

Save as disclosed in the sections headed “Interests of directors” and “Interests of substantial shareholders” above, the register required to be kept under section 336 of the SFO shows that as at 30th June, 2003, the Company had not been notified of any other person who had an interest or short position in shares and underlying shares of the Company.

### **COMPLIANCE WITH CODE OF BEST PRACTICE**

None of the directors of the Company is aware of any information which would indicate that the Group is not, or was not, in compliance with the Code of Best Practice as set out in Appendix 14 of the Listing Rules at any time during the period except that the independent non-executive directors are not appointed for a specific term. The independent non-executive directors are subject to retirement by rotation in accordance with the provisions of the Company’s Bye-Laws.

### **AUDIT COMMITTEE**

The Audit Committee comprises independent non-executive directors, namely Mr Kwok Lam Kwong, Larry, Mr Lam Chi Kuen, Frank and Mr Lau Siu Ki, Kevin during the period.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed financial reporting matters, including a review of the unaudited condensed accounts for the six months ended 30th June, 2003, with the management.