

## OTHER INFORMATION

### DIRECTORS' INTERESTS IN SHARES

As at 30th June 2003, the directors and their associates had the following interests or short positions in shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of the Securities and Futures Ordinance (“SFO”)) as recorded in the register required to be kept under Sections 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (“Model Code”):

#### Interests in the Company

<b>Directors</b>	<b>Personal interests in shares</b>	<b>Numbers of underlying shares held pursuant to share options</b>	<b>Total interests</b>	<b>Percentage of the Company's issued share capital</b>
Mr. Wang Guanghao	—	8,504,000	8,504,000*	1.25%
Mr. Yu Rumin	—	2,000,000	2,000,000*	0.30%
Mr. Chen Zihe	—	6,332,000	6,332,000*	0.93%
Ms. Chen Cuiwan (Note)	—	6,332,000	6,332,000*	0.93%
Mr. He Xiuheng	—	2,000,000	2,000,000*	0.30%
Mr. Yang Liheng	—	2,000,000	2,000,000*	0.30%
Dr. Wang Jiandong	450,000	—	450,000*	0.07%

\* These interests are held in the capacity as a beneficial owner.

Note: Following the resignation of Ms. Chen Cuiwan as a director of the Company on 15th July 2003, all share options held by her were lapsed on 15th August 2003.

Details of the Directors' interests in the share options granted by the Company are set out under the section “SHARE OPTIONS”.

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Save as disclosed above, none of the directors and their associates has any interests or short positions in shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### SHARE OPTIONS

Pursuant to the Company's share option scheme, the Company has granted options on the Company's ordinary shares in favour of certain directors and employees, the details of which are as follows:

<b>Directors</b>	<i>(note 1)</i>	<i>(note 2)</i>	<b>Outstanding as at 30 June 2003</b>
Mr. Wang Guanghao	3,500,000	5,004,000	8,504,000
Mr. Yu Rumin	2,000,000	—	2,000,000
Mr. Chen Zihe	2,000,000	4,332,000	6,332,000
Ms. Chen Cuiwan <i>(note 3)</i>	2,000,000	4,332,000	6,332,000
Mr. He Xiuheng	2,000,000	—	2,000,000
Mr. Yang Liheng	2,000,000	—	2,000,000

### **Employees** *(note 4)*

Notes:

1. These share options were granted to the directors on 17th April 1998, and are exercisable at a price of HK\$6.136 per share during the period from 10th June 1998 to 21st November 2007.
2. These share options were granted to the directors on 13th April 1999, and are exercisable at a price of HK\$3.34 per share during the period from 18th September 1999 to 17th March 2004.
3. Following the resignation of Ms. Chen Cuiwan as a director of the Company on 15th July 2003, all share options held by her were lapsed on 15th August 2003.
4. A total of 1,500,000 share options were granted to the employees of the Company on 19th June 2001, 500,000 options are exercisable at HK\$2.204 from 1st January 2002 to 21st November 2007 and 1,000,000 options are exercisable at HK\$2.204 from 1st July 2002 to 21st November 2007.
5. No option was granted, exercised or cancelled during the reporting period.

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During the period under review, none of the directors had exercised any share options in the Company.

Save as disclosed above, none of the directors of the Company or their spouses or children under the age of 18 had any rights to subscribe for the securities of the Company, or had exercised any such right during the period.

### SUBSTANTIAL SHAREHOLDERS

As at 30th June 2003, the following persons or corporations, other than the directors or chief executives of the Company as disclosed above, had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

<b>Name of shareholder</b>	<b>Capacity</b>	<b>Number of shares/ underlying shares held</b>	<b>Percentages to the Company's issued share capital</b>
Tsinlien Group Company Limited ( <i>Note 2</i> )	Interest of controlled corporation	385,482,000 (L) ( <i>Note 2</i> )	56.88%
	Option seller	65,000,000 (S) ( <i>Note 3</i> )	9.59%
Credit Suisse Group	Option buyer	65,000,000 (L) ( <i>Note 3</i> )	9.59%

*Notes:*

1. The letter "L" stands for the shareholder's long position (within the meaning of the SFO) in shares of the Company. The letter "S" stands for the shareholder's short position (within the meaning of the SFO) in shares of the Company.
2. As at 30th June 2003, Tianjin Investment Holdings Limited and Tsinlien Property Services Limited, both being wholly owned subsidiaries of Tsinlien Group Company Limited, held 383,459,990 shares and 2,022,000 shares of the Company respectively. Mr Wang Guanghao acted as trustee of Tianjin Investment Holdings Limited to

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hold 10 shares of the Company. The corporate interest disclosed under Tsinlien Group Company Limited represents its deemed interests in the shares of the Company by virtue of its interests in Tianjin Investment Holdings Limited and Tsinlien Property Services Limited.

3. These shares are subject to call options sold by Tsinlien Group Company Limited to Credit Suisse Group.

Save as disclosed herein, the Company has not been notified of any other person or corporation, other than the directors or chief executives of the Company, who had an interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO as at 30th June 2003.

### AUDIT COMMITTEE

At the request of the Audit Committee of the Company, the Group's auditors have carried out a review of the unaudited financial statements in accordance with the Statement of Auditing Standards 700 issued by the Hong Kong Society of Accountants. A copy of the review report prepared by the auditors and addressed to the Company's directors is set on page 35 and 36 for information. The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the unaudited interim financial statements.

### CORPORATE GOVERNANCE

None of the directors is aware of information that would reasonably indicate that the Company was not in compliance with the Code of Best Practice at any time during the six months ended 30th June 2003.

### PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares during the period.

By Order of the Board  
**Wang Guang Hao**  
*Chairman*

Hong Kong SAR, 18th September 2003