

INTERCHINA HOLDINGS COMPANY LIMITED

Interim Dividend

The Board does not recommend an interim dividend for ordinary shares of the Company for the six months period ended 30 September 2000 (1999: Nil).

Directors' Interests

Details of the interests of the directors and chief executive in the ordinary shares of the Company as at 30 September 2000 as recorded in the register maintained under Section 29 of the Securities (Disclosure of Interests) Ordinance were as follows:

Directors	Personal interest	Corporate interest
Mr. Zhang Yang	–	1,824,405,000 (i)
Mr. He Xuechu	–	1,000,000,000 (ii)

Notes:

- (i) The ordinary shares were held through Wealth Land Development Corp., a company beneficially owned by Mr. Zhang Yang.
- (ii) The ordinary shares were held through Classic Jester Resources Limited, a company beneficially owned by Mr. He Xuechu.

Save as disclosed above and other than certain nominee shares in subsidiaries held by directors in trust for the Company or its subsidiaries, no director and chief executive held an interest in the share capital of the Company and its associated corporation as defined in the Securities (Disclosure of Interests) Ordinance.

Apart from the above, at no time during the period was the Company or its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of acquisition of ordinary shares in or debentures of the Company or any other body corporate.

Substantial Shareholders

Other than those interests disclosed above in respect of the directors, the Company has not been notified of any other interests representing 10% or more of the issued ordinary share capital of the Company as at 30 September 2000.

Purchase, Sale or Redemption of Listed Securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months period ended 30 September 2000.

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Audit Committee

An audit committee of the Company was established on 1 September 2000. Written terms of reference which set out the authorities and duties of the audit committee were adopted by the Board on the same date. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group. The audit committee has two members comprising the two independent non-executive directors with Mr. Wong Hon Sum as the Chairman.

Code of Best Practice

None of the directors is aware of any 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 as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange.

By Order of the Board

Tsang Hin Fun, Anthony

Executive Director & Company Secretary

Hong Kong, 21 December 2000