

PURCHASE, SALE OR REDEMPTION OF SHARES

During the Period, 117,720,000 ordinary shares of HK\$0.01 each of the Company were purchased by the Company through the Hong Kong Stock Exchange, details of which are as follows:

Month	Number of ordinary shares repurchased	Price per share		Aggregate amount paid HK\$'000
		Highest price HK\$	Lowest price HK\$	
January	3,550,000	0.465	0.45	1,620
February	15,730,000	0.59	0.48	8,644
March	59,560,000	0.56	0.48	31,859
April	13,690,000	0.77	0.75	10,413
May	25,190,000	0.81	0.79	20,045

Save for the foregoing, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares during the Period.

DIRECTORS' INTERESTS IN SHARES

At 30th June 2001, the interests of the directors and chief executives in the shares of the Company as recorded in the register maintained under section 29 of the Securities (Disclosure of Interests) Ordinance or as notified to the Company were as follows:

- (a) Messrs Wang Mingcai, Li Hualin and Xu Tianshu are directors of Sun World Limited ("Sun World") which beneficially owned 2,862,937,342 shares in the Company as at 30th June 2001. Sun World is a wholly owned subsidiary of CNPC, the Company's ultimate holding company incorporated in the PRC.
- (b) Pursuant to a resolution passed on 23rd October 1991, the directors of the Company may, at their discretion, invite executives of any companies within the Group, including executive directors, to take up options to subscribe for shares in the Company subject to the terms and conditions stipulated in the Company's executive share option scheme.

Details of options granted by the Company are as follows:

Name	Date of issue	Exercise price HK\$	Options	
			outstanding at 30th June 2001	Expiry date
Wang Mingcai	8th March 2001	0.41	20,000,000	7th March 2006
	26th April 2001	0.61	30,000,000	25th April 2006
Li Hualin	8th March 2001	0.41	20,000,000	7th March 2006
	26th April 2001	0.61	20,000,000	25th April 2006
Lin Jingao	16th June 1997	1.31	20,000,000	15th June 2002
	26th April 2001	0.61	10,000,000	25th April 2006
Xu Tianshu	12th May 1999	0.91	20,000,000	11th May 2004
	26th April 2001	0.61	10,000,000	25th April 2006
Lau Hak Woon	16th June 1997	1.39	5,000,000	15th June 2002
	3rd March 1998	1.61	5,000,000	3rd March 2003
	26th April 2001	0.61	5,000,000	25th April 2006
Zhang Ru Chun (resigned on 18th January 2001)	16th June 1997	1.31	20,000,000	15th June 2002

Save for the above, at no time during the Period was the Company, its fellow subsidiaries or its holding company a party to any arrangements to enable the directors or chief executives or any of their spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Name	Number of shares
Sun World	2.862.937.342*

Sun World is a wholly owned subsidiary of CNPC, accordingly CNPC is deemed to be interested in the 2,862,937,342 shares held by Sun World.

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 six months ended 30th June 2001.

The Audit Committee has reviewed with 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 accounts for the six months ended 30th June 2001.

By Order of the Board
WANG MINGCAI
Executive Chairman

Hong Kong, 21st September 2001