

## OTHER INFORMATION PROVIDED IN ACCORDANCE WITH THE LISTING RULES

### DIRECTORS' SERVICE CONTRACTS

Mr CHU Chi Shing has entered into a service contract with the Company for a term of three years commencing on 1 July 1998. Mr CHIU Chi Shun, Clarence has entered into a service contract with the Company for a term of two years commencing on 8 November 2000. Mr YE Long has entered into a service contract with the Company for a term of three years commencing on 1 July 2001. These contracts will continue thereafter until terminated by a not less than six months' notice for Mr CHU Chi Shing and Mr YE Long and a three months' notice for Mr CHIU Chi Shun, Clarence, in writing by either party to the other.

### DIRECTORS' INTERESTS IN SHARES

As at 30 June 2001, the interests of the Directors and their respective associates (as defined in the Rules (the "Listing Rules") Governing the Listing of Securities on the Stock Exchange) in the share capital of the Company or any of its associated corporations, within the meaning of the Securities (Disclosure of Interests) Ordinance of Hong Kong (the "SDI Ordinance"), which had been notified to the Company and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to section 28 of the SDI Ordinance (including interests which they were taken or deemed to have under section 31 or part I of the Schedule to the SDI Ordinance) or which were required to be recorded in the register referred to therein pursuant to section 29 of the SDI Ordinance or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

#### Share capital of the Company

Name of Director	Number of shares			Percentage of shareholding
	Personal interest	Family interest	Corporate interest	
Mr SZE Wai, Marco	—	—	132,434,953 (note 1)	33.05%
Mr YE Long	4,981,000	—	—	1.24%
Mr KING Yuen	450,000	80,000	—	0.13%
Mr CHEN Jian	16,113,000	—	—	4.02%

**DIRECTORS' INTERESTS IN SHARES** *(Continued)***Share capital of a subsidiary**

Name of Director	Name of subsidiary	Personal interest		Corporate interest	
		No. of shares	Percentage of share-holding	No. of shares	Percentage of share-holding
Mr CHEN Jian	Start Futong Technology Company Limited	15,000	30%	6,000 <i>(note 2)</i>	12%

*Notes:*

1. These shares are beneficially owned by Leading Value Industrial Limited, the entire issued share capital of which is owned as to 50% by Mr SZE Wai, Marco.
2. These shares are beneficially owned by Rich World Development Ltd, the entire issued share capital of which is owned as to 30% by Mr CHEN Jian.

Save as disclosed above, none of the Directors or their associates had any personal, family, corporate or other beneficial interests in the share capital of the Company or any of its associated corporations as defined in the SDI Ordinance.

**DIRECTORS' RIGHTS TO ACQUIRE SHARES**

The Company operates a share option scheme (the "Scheme") whereby the Board of Directors may, at their absolute discretion, grant options to employees and executive directors of the Company or any of its subsidiaries to subscribe for shares in the Company.

**DIRECTORS' RIGHTS TO ACQUIRE SHARES** *(Continued)*

At 30 June 2001, the Directors of the Company had the following personal interests in options to subscribe for shares of the Company granted at HK\$1 consideration under the Scheme:

<b>Name of Director</b>	<b>Date of grant</b>	<b>Period during which options exercisable</b>	<b>Exercise price (HK\$)</b>	<b>Number of options outstanding as at 30.6.2001</b>
Mr YE Long	06.07.1999	02.10.1999 – 05.07.2009	1.08	3,000,000
Mr CHU Chi Shing	06.07.1999	02.10.1999 – 05.07.2009	1.08	2,100,000
	17.01.2000	01.02.2001 – 16.01.2010	1.32	200,000
	01.06.2001	01.10.2001 – 31.05.2011	0.58	200,000
Mr SZE Wai, Marco	01.06.2001	01.10.2001 – 31.05.2011	0.58	3,500,000
Mr KING Yuen	01.06.2001	01.10.2001 – 31.05.2011	0.58	3,500,000
Mr CHIU Chi Shun, Clarence	01.06.2001	01.10.2001 – 31.05.2011	0.58	3,500,000
Mr CHEN Jian	01.06.2001	01.10.2001 – 31.05.2011	0.58	1,000,000

Apart from the foregoing, at no time during the period was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the Company's Directors or chief executive or any of their spouses or children under eighteen years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company, or any other body corporate.

## SUBSTANTIAL SHAREHOLDERS

As at 30 June 2001, according to the register kept by the Company under section 16(1) of the SDI Ordinance and so far as was known to the Directors and the chief executive of the Company, the following persons other than the Directors, directly or indirectly, were interested or taken or deemed to be interested in 10% or more of the nominal value of the issued share capital of the Company (or any member of the Group):

### The Company

Name of shareholder	Number of shares	Approximate percentage of issued shares held
Leading Value Industrial Limited	132,434,953 (note 1)	33.05%

### Members of the Group

Name of subsidiary	Name of shareholder	Percentage of shareholding
Start Futong Technology Company Limited	Rich China Investments and Trading Limited	18%
	Rich World Development Ltd. (note 2)	12%
Besto Investment Ltd.	Diginet Investment Limited (note 3)	30%
	Hongkong Sunway Technology Development Limited	30%
Fuqing Fujie Plastics Co., Ltd. ("Fujie Plastics")	Batco Limited (note 4)	35%
Xiamen Start Dragon Information Technology Co., Ltd.	湖南巨龍軟件產業發展有限公司	49%

**SUBSTANTIAL SHAREHOLDERS** *(Continued)*

<b>Name of subsidiary</b>	<b>Name of shareholder</b>	<b>Percentage of shareholding</b>
Fuzhou Start Dragon Information Technology Co., Ltd.	湖南巨龍軟件產業發展有限公司	49%
Fujian Star System Integration Co., Ltd. ("Fujian SI")	E-Star Information Systems Holdings Co., Ltd. (note 5)	30%

*Notes:*

1. Mr SZE Wai, Marco's interest in Leading Value Industrial Limited is also disclosed in Directors' interests in shares.
2. Mr CHEN Jian's interest in Rich World Development Ltd. is also disclosed in Directors' interests in shares.
3. Dignet Investment Limited was wholly owned by Fujian Start Computer Group Co., Ltd. prior to 1 June 2001.
4. Mr. ZHENG Ping, a director of Fujie Plastics, holds 71.43% of Batco Limited.
5. Messrs. ShangGuan BuYan and Li Wei, directors of Fujian SI together holds 65% of E-Star Information Systems Holdings Co., Ltd.

Apart from the foregoing, the Directors and other executives of the Company were not aware of any person, other than the Directors, who held or was beneficially interested in 10% or more of the issued share capital of the Company (or any member of the Group).

**PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2001.

## CODE OF BEST PRACTICE

In the opinion of the Directors, except that the Independent Non-executive Directors have not been appointed for specific terms, the Company has complied throughout the six months ended 30 June 2001 with paragraphs 1 to 13 of the Code of Best Practice as set out in Appendix 14 to the Listing Rules.

## AUDIT COMMITTEE

In accordance with the Code of Best Practice set out in Appendix 14 of the Listing Rules, the Board of Directors has established an audit committee comprising the two Independent Non-executive Directors of the Company. The audit committee is delegated with the responsibility of reviewing the Company's financial reporting and internal control systems including the review of the unaudited interim financial report.

By order of the Board  
**Sze Wai, Marco**  
*Chairman*

Hong Kong, 21 September 2001