

OTHER INFORMATION

Corporate Governance

None of the Directors is aware of information that would reasonably indicate that the Company is not, or was not for any part of the accounting period covered by this Interim Report, in compliance with the Code of Best Practice as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Audit Committee

An audit committee was formed in May 1996 to review and supervise the financial reporting process and internal control of the Company. An audit committee meeting was held in September 2001 to review the unaudited interim accounts for the six months ended 30th June 2001. PricewaterhouseCoopers, the Group's external auditors, have carried out a review of the unaudited interim accounts for the six months ended 30th June 2001 in accordance with the Statement of Auditing Standards 700 "Engagement to review interim financial reports" issued by the Hong Kong Society of Accountants. An unmodified review report was issued subsequent to the review.

Purchase, Sale or Redemption of Own Shares

The Company and any of its subsidiaries had not purchased, sold or redeemed any of its own shares during the period.

On 13th June 2001, the Company announced that a conditional cash offer would be made to repurchase its own shares. The repurchases were effected in August 2001. Details of the Offer were set out in the paragraph headed "Cash Offer to Repurchase Shares". During the month of August 2001, the Company further repurchased 6,353,000 shares on The Stock Exchange of Hong Kong Limited at an aggregate consideration of HK\$61,260,900 before expenses. The repurchases were effected by the Directors for the enhancement of shareholder value in the long term.

Disclosure of Interests

As at 30th June 2001, the interests of each Director of the Company in the equity securities of the Company as recorded in the register required to be kept under Section 29 of the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance") were as follows:

Shares

Director	Personal	Family	Corporate	Other
Dr. Lee Shau Kee	2,932,886	–	–	1,960,925,256 (Note 4)
Mr. Liu Lit Man	1,399,813	–	–	–
Mr. Leung Hay Man	–	–	–	–
Dr. Lee Hon Chiu	212,757	–	–	–
Mr. Colin Lam Ko Yin	–	–	–	–
Dr. The Hon. David Li Kwok Po	9,967,348	–	–	–
Mr. Ronald Chan Tat Hung	146,032	–	–	–
Mr. Lee Ka Kit	–	–	–	–
Mr. Chan Wing Kin	101,761 (Note 5)	–	–	–
Mr. Kwan Yuk Choi	35,138	40,305	–	–
Mr. Lee Ka Shing	–	–	–	–

Save as mentioned above, as at 30th June 2001, the register maintained by the Company pursuant to Section 29 of the SDI Ordinance recorded no other interests of the directors in the equity or debt securities of the Company and its associated corporations nor any rights to subscribe for equity or debt securities of the Company granted to any directors or their respective spouse or children under 18 years of age nor the exercise of any such rights.

Substantial Shareholders

As at 30th June 2001, the following interests in the shares of the Company were recorded in the register required to be kept under section 16(1) of the SDI Ordinance:

Name of Company	No. of shares in which interested
Disralei Investment Limited (<i>Note 1</i>)	1,053,658,726
Timpani Investments Limited (<i>Note 1</i>)	1,493,863,275
Henderson Investment Limited (<i>Note 1</i>)	1,884,155,954
Kingslee S.A. (<i>Note 1</i>)	1,884,155,954
Henderson Land Development Company Limited (<i>Note 1</i>)	1,884,155,954
Henderson Development Limited (<i>Note 2</i>)	1,887,761,838
Hopkins (Cayman) Limited (<i>Note 3</i>)	1,960,925,256
Rimmer (Cayman) Limited (<i>Note 3</i>)	1,960,925,256

Notes:

1. Kingslee S.A., a subsidiary of Henderson Land Development Company Limited has a controlling interest in Henderson Investment Limited. The 1,884,155,954 shares were beneficially owned by some of the subsidiaries of Henderson Investment Limited. Timpani Investments Limited is a subsidiary of Henderson Investment Limited and, together with its subsidiary Disralei Investment Limited, beneficially owned 1,493,863,275 shares out of 1,884,155,954 shares.
2. Henderson Development Limited beneficially owned more than one third of the share capital in Henderson Land Development Company Limited. Of the 1,887,761,838 shares, 1,884,155,954 shares represent the shares described in Note 1 and the other shares were beneficially owned by a subsidiary of Henderson Development Limited.
3. Of these 1,960,925,256 shares, 1,887,761,838 shares represent the shares described in Notes 1 and 2. Rimmer (Cayman) Limited as trustee of a discretionary trust held a majority of units in a unit trust ("Unit Trust"). Hopkins (Cayman) Limited as trustee of the Unit Trust beneficially owned all the issued shares which carry the voting rights in the share capitals of Henderson Development Limited and Fu Sang Company Limited.
4. Dr. Lee Shau Kee beneficially owned all the issued shares in Rimmer (Cayman) Limited and Hopkins (Cayman) Limited. These 1,960,925,256 shares include the shares described in Notes 1, 2 and 3.
5. These shares were jointly held by Mr. Chan Wing Kin and his spouse.