

INFORMATION PROVIDED IN ACCORDANCE WITH THE LISTING RULES

Interim Dividend

The directors have resolved to pay an interim dividend of HK 9.5 cents (2000: HK 9.5 cents) per share. The interim dividend will be payable on 9 January 2002 to shareholders whose names appear on the Register of member of the Company on 28 December 2001.

Closure of Register of Members

The Register of Members of the Company will be closed from 24 December 2001 to 28 December 2001, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, Tengis Limited of 4/F Hutchison House, 10 Harcourt Road, Hong Kong, not later than 4:00 p.m. on 21 December 2001.

Purchase, Redemption or Sale of Listed Securities

During the period, the Company repurchased on the Stock Exchange a total of its 800,000 shares, all of which have been cancelled, at a total consideration of HK\$2,248,568. The nominal value of the cancelled shares was credited to the capital redemption reserve and the aggregate consideration in respect of the share repurchases was paid out of the retained profits of the Company. Details of the repurchases are as follows:

| Month | Number of shares | Price per share | | Total cost HK\$000 |
|----------|------------------|-----------------|----------------|-----------------------|
| | | Highest HK\$ | Lowest HK\$ | |
| May 2001 | <u>800,000</u> | 2.80 | 2.80 | <u>2,249</u> |

Save as disclosed above, neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period.

Subsequent to the balance sheet date, the Company repurchased on the Stock Exchange a total of 988,000 shares of the Company, at a total consideration of HK\$2,832,970 all of which have been cancelled.

The directors believe that the repurchases are in the best interests of the Company and its shareholders.

Audit Committee

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of the unaudited condensed interim financial statements.

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Directors' Interests in Shares

At 30 September 2001, the interests of the directors in the share capital of the Company and its associated corporations as recorded in the register maintained by the Company pursuant to Section 29 of the Securities (Disclosure of Interest) Ordinance ("SDI Ordinance") were as follows:

| Directors | Notes | Number of shares and nature of interests | | | |
|------------------------|---------|------------------------------------------|------------------|---------------------|-----------------|
| | | Personal interests | Family interests | Corporate interests | Other interests |
| Yam Cheong Hung | (a)&(b) | 60,150,480 | 21,266,463 | 182,689,149 | 2,000,000 |
| Yum Chak Ming, Matthew | (a) | 7,811,834 | — | 182,689,149 | — |
| Yam Ho Ming, Michael | (a) | 2,230,000 | — | 182,689,149 | — |
| Yam Hon Ming, Tommy | (a) | — | — | 182,689,149 | — |
| Yum Pui Ming, Anna | (a) | 1,150,000 | 877,759 | 182,689,149 | — |

(a) Corporate interests

Yam Cheong Hung, Yum Chak Ming, Matthew, Yam Ho Ming, Michael, Yam Hon Ming, Tommy and Yum Pui Ming, Anna are beneficial shareholders of approximately 9.15%, 14.08%, 14.08%, 14.08% and 9.86% respectively, of the issued share capital of C.H. Yam International Limited, which directly holds 7,068,000 shares of the Company and indirectly holds 175,621,149 shares of the Company through its subsidiary, Hung Tai Industrial Company Limited.

(b) Other interests

Yam Cheong Hung's spouse is a director of Oberon Worldwide Limited which holds 2,000,000 shares of the Company.

Save as disclosed above, none of the directors and chief executives or their associates had any personal, family, corporate or other interests in the equity or debt securities of the Company or any of its associated corporations as defined in the SDI Ordinance.

Substantial Shareholders

At 30 September 2001, the following interests of 10% or more of the share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 16(1) of the SDI Ordinance.

| Name | Number of shares | % |
|-------------------------------------|------------------|-------|
| Hung Tai Industrial Company Limited | 175,621,149 | 30.65 |

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Code of Best Practice

In the opinion of the directors, the Company has complied with the Code of Best Practice, as set out in Appendix 14 of the Listing Rules of the Stock Exchange throughout the accounting period covered by the interim report, except that the non-executive directors of the Company are not appointed for specific terms but are subject to retirement by rotation in accordance with the Company's articles of association.

By Order of the Board
Yam Cheong Hung
Chairman

Hong Kong, 6 December 2001