

OTHER INFORMATION

DIVIDENDS

The directors do not recommend the payment of an interim dividend.

BOARD AUDIT COMMITTEE

The Company established an Audit Committee of the Board of Directors with written terms of reference on January 18, 1999. The terms of reference were revised on May 31, 2000 and March 9, 2001. The current members of the Audit Committee are Mr. David Michael Norman and Mr. William Ping Tai, the two independent non-executive directors, and Mr. Tan Lim Heng, a non-executive director of the Company.

The Audit Committee meets regularly to consider the nature and scope of audit reviews and the effectiveness of the systems of internal control and compliance. The interim report was reviewed by the Audit Committee.

INVESTMENT COMMITTEE

An investment committee was established in May 2000. The Committee is composed of the following members from our Board of Directors: Messrs. Claes Ake Gustaf Dahlbäck (who serves as Chairman of the Investment Committee), Galeazzo Scarampi del Cairo (who has resigned on March 7, 2002), Erik Börje Ekholm, Kjell Anders Fredrik Sörme and Ms. Winnie Fok Kin Wah. With extensive investment experience in venture capital, private equity and the telecommunications industry, the Investment Committee is responsible for the review and approval of the Company investments developed by the management team.

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

During the period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

DIRECTORS' INTERESTS IN SECURITIES

As at December 31, 2001, the interests of the directors and chief executive in the 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”) or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

Name	Number of Shares Held				Total Interests	Number of Share Options Granted [#]
	Personal Interests	Family Interests	Corporate Interests	Other Interests		
Director						
Claes Ake Gustaf Dahlbäck	1,000,000	—	—	—	1,000,000	—
Winnie Fok Kin Wah	1,012,000	—	—	—	1,012,000	300,000
Galeazzo Scarampi del Cairo	1,200,000*	—	—	—	1,200,000	—
Kjell Anders Fredrik Sörme	—	—	—	—	—	300,000
Tan Lim Heng	19,840,000	—	—	—	19,840,000	300,000
David Michael Norman	—	—	—	—	—	300,000
William Ping Tai	—	—	—	—	—	4,000,000
Alternate Director						
James Eng, Jr.	200,000	—	—	—	200,000	300,000
Chief Executive Officer						
Michael David Ricks	1,506,000	—	—	—	1,506,000	50,000,000

* Interests were jointly held with other parties.

[#] Options to subscribe for the Company's shares at the subscription price of HK\$0.75 each.

SUBSTANTIAL SHAREHOLDERS

As at December 31, 2001, those persons having an interest of 10% or more of the Company's issued capital, as recorded in the register required to be kept under Section 16(1) of the SDI Ordinance or as otherwise known to the directors of the Company were as follows:

Name	Number of Ordinary Shares		Note
	Direct Interest	Indirect Interest	
Sherbourne Limited	613,600,000	—	
Investor Capital Partners - Asia Fund, L.P.	—	613,600,000	1
Investor Capital Management Asia Limited	—	613,600,000	1
Investor Investment Capital Partners Limited	—	613,600,000	1
Investor Trading Ltd.	—	613,600,000	1
Investor Growth Capital AG	—	613,600,000	1
Investor Investment imGO Limited	416,000,000	—	
Investor Growth Capital Limited	—	416,000,000	2
Investor Growth Capital Holding B.V.	—	416,000,000	2
Expibel Holding AB	—	416,000,000	2
Ericsson Holding International B.V.	499,200,000	—	
Telefonaktiebolaget LM Ericsson	—	499,200,000	3
Investor AB	—	1,528,800,000	4
Knut and Alice Wallenberg Foundation	—	1,528,800,000	4
GL Holdings Limited	537,324,824	—	
Guoco Group Limited	—	739,934,824	5

Notes:

- By virtue of Section 8 of the SDI Ordinance, all these companies were deemed to have interests in 613,600,000 shares in the Company held by Sherbourne Limited.
- By virtue of Section 8 of the SDI Ordinance, all these companies were deemed to have interests in 416,000,000 shares in the Company held by Investor Investment imGO Limited.
- Ericsson Holding International B.V. is a wholly-owned subsidiary of Telefonaktiebolaget LM Ericsson. By virtue of Section 8 of the SDI Ordinance, Telefonaktiebolaget LM Ericsson was deemed to have an interest in 499,200,000 shares in the Company held by Ericsson Holding International B.V..
- By virtue of Section 8 of the SDI Ordinance, these companies were deemed to have interests in 613,600,000 shares, 416,000,000 shares and 499,200,000 shares in the Company held by Sherbourne Limited, Investor Investment imGO Limited and Ericsson Holding International B.V. respectively.
- By virtue of Section 8 of the SDI Ordinance, Guoco was deemed to have corporate interests in 537,324,824 shares held by GL Holdings Limited, a wholly-owned subsidiary of Guoco and 202,610,000 shares held by another company, First Capital Holdings (HK) Pte Ltd.

SHARE OPTION SCHEME

The Company adopted a Share Option Scheme that was approved by the shareholders on October 23, 2001. A total of 55,500,000 options to subscribe for the Company's shares at a subscription price of HK\$0.75 each were granted to the following directors and chief executive pursuant to the Share Option Scheme. Particulars of options granted to the directors and chief executive are as follows:

Name	No. of options held as at July 1, 2001	No. of options granted during the period	Exercise price per share	No. of options exercised during the period	No. of options held as at December 31, 2001
			<i>HK\$</i>		
Director					
Winnie Fok Kin Wah	—	300,000	0.75	—	300,000
Kjell Anders Fredrik Sörme	—	300,000	0.75	—	300,000
Tan Lim Heng	—	300,000	0.75	—	300,000
David Michael Norman	—	300,000	0.75	—	300,000
William Ping Tai	—	4,000,000	0.75	—	4,000,000
Alternate Director					
James Eng, Jr.	—	300,000	0.75	—	300,000
Chief Executive Officer					
Michael David Ricks	—	50,000,000	0.75	—	50,000,000
	Total	55,500,000		—	55,500,000

All options were granted on November 27, 2001. Each of the option holders is entitled to exercise 25% of his options after November 27, 2002 and each subsequent year at the subscription price of HK\$0.75 each. The options are exercisable on a cumulative basis until the expiry date on May 27, 2006, six months after the fourth anniversary of the grant. During the period, no options were exercised.

The directors believe that any statement regarding the value of options as at the period end will not be meaningful to shareholders, taking into account the unique business nature of the Group and its potential for future expansion and that comparable data required for calculation of the value of the options will not be representative of the Group.

COMPLIANCE WITH THE CODE OF BEST PRACTICE

None of the directors of the Company is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the accounting period covered by the interim report, in compliance with the Code of Best Practice as set out in the Listing Rules of The Stock Exchange of Hong Kong Limited.

By Order of the Board
Winnie Fok Kin Wah
Executive Director

Hong Kong, March 7, 2002