

## ■ SUBSTANTIAL SHAREHOLDERS

As at 30 June 2002, the following interests of 10% or more in the issued 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:

<b>Name</b>	<b>Number of shares held</b>	<b>Percentage of the company's share capital</b>
Dragon Delta Limited	363,950,000	24.16%

Save as disclosed above, no other person had registered an interest in the share capital of the Company that was required to be recorded under Section 16(1) of the SDI Ordinance.

## ■ PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2002.

## ■ AUDIT COMMITTEE

The Audit Committee comprises of three independent non-executive directors of the Company. Its principal duties include the review and supervision of the Company's financial reporting process and internal controls. The unaudited interim financial report for the six months ended 30 June 2002 has been reviewed by the Audit Committee who is of the opinion that such report complies with the applicable accounting standards, and the listing rules of The Stock Exchange of Hong Kong Limited and that adequate disclosures have been made.

### ■ CODE OF BEST PRACTICE

The Directors are not aware of any information which would reasonably indicate that the Company is not or was not for any part of the period under review in compliance with the Code of Best Practice as set out in Appendix 14 of the Listing Rules except that the non-executive directors were not appointed for a specific term but are subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Company's Bye-laws.

By Order of the Board

**Dr. Hon Fong Ming Perry**

*Chairman*

Hong Kong, 9 September 2002