

## DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 September 2004, the interests and short positions of the directors in the share capital of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the SEHK pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code"), were as follows:

### Long positions in ordinary shares of the Company:

Name of directors	Directly beneficially owned	Percentage of the Company's issued share capital
Mr. Chin Yao LIN	3,242,000	0.14
Miss Wing Yan AU	2,000	—

The interests of the directors in the share options of the Company are separately disclosed above under the section 'Staff Remuneration Policy And Share Option Schemes'.

In addition to the above, certain directors have non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Company solely for the purpose of complying with the minimum company membership requirements.

Save as disclosed above, none of the directors had registered an interest or short position in the shares and underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the SEHK pursuant to the Model Code.

## DIRECTORS' RIGHT TO ACQUIRE SHARES

Save as disclosed above under the sections 'Directors' Interests And Short Positions In Shares And Underlying Shares' and 'Staff Remuneration Policy And Share Option Schemes', at no time during the Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 30 September 2004, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

### Long positions:

Name	Capacity and nature of interest	Number of ordinary shares held	Percentage of the Company's issued share capital
KG NextVision Corporation	Directly beneficially owned	1,795,000,000	74.79

Save as disclosed above, no person, other than the directors of the Company, whose interests are set out in the above section ‘Directors’ Interests And Short Positions In Shares And Underlying Shares’, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

Neither the Company nor any of its subsidiaries purchased, redeemed, or sold any of the Company’s listed securities during the Period.

## **CODE OF BEST PRACTICE**

In the opinion of the directors, the Company complied with the Code of Best Practice (the “Code”) as set out in Appendix 14 of the Listing Rules of the SEHK, throughout the accounting period covered by this interim report, except that the non-executive directors of the Company are not appointed for specific terms as required by paragraph 7 of the Code, but are subject to retirement by rotation in accordance with the bye-laws of the Company.

## AUDIT COMMITTEE

The Company has an audit committee which was established in accordance with the requirements of the Code, for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee comprises the three INEDs of the Company.

On behalf of the Board  
**Mr. Henry Hung CHEN**  
*Director*

Taipei, 9 December 2004

*As at the date of this interim report, the Board of the Company comprises Mr. Henry Hung CHEN (Chairman) and Miss Wing Yan AU as Executive Directors; and Mr. Robert Joseph ZULKOSKI, Mr. Chin Yao LIN and Mr. Bernard King Bond LEUNG as INEDs.*