

## SUBSTANTIAL SHAREHOLDERS

### (a) Persons who have an interest or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO

So far as is known to the Directors and the chief executive of the Company, as at 30th September 2004, the following persons (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of Shareholder	Number or attributable number of Shares held or short position	Nature of interests	Approximate percentage or attributable percentage of shareholding
Mr. Chan Mo Yan, deceased	71,818,000 (L)	Corporate (Note 1)	24.98%
Total Success Worldwide Limited	71,818,000 (L)	Beneficial (Note 1)	24.98%
Glado Development Limited	45,000,000 (L)	Beneficial (Note 2)	15.65%
Grand Legend Limited	57,500,000 (L)	Beneficial (Note 3)	20.00%
Lo Chun Yang	57,500,000 (L)	Corporate (Note 3)	20.00%
Loh Siu Yin, Lulu	57,500,000 (L)	Family (Note 3)	20.00%

L: Long Position

## **SUBSTANTIAL SHAREHOLDERS** *(continued)*

### **(a) Persons who have an interest or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO** *(continued)*

*Notes:*

1. These 71,818,000 Shares were registered in the name of Total Success Worldwide Limited. The issued share capital of Total Success Worldwide Limited is owned as to approximately 46.46% by Mr. Chan Mo Yan, deceased, as to approximately 46.46% by Mr. Ng Tat Leung, George, the Chairman and the Managing Director of the Company, and as to approximately 7.08% by Mr. Wong Teck Ming, Phillip, an Executive Director.
2. The issued share capital of Glado Development Limited is owned as to 99.90% by China Insurance.
3. Pursuant to a note subscription agreement dated 12th May 2004 and entered into between, among others, the Company and Grand Legend Limited, the Company issued and Grand Legend Limited subscribed for a convertible note due 2005 in the principal amount of HK\$11,500,000, entitling Grand Legend Limited to subscribe for 57,500,000 Shares.

The entire issued share capital of Grand Legend Limited is owned by Mr. Lo Chun Yang. Ms. Loh Siu Yin, Lulu is the spouse of Mr. Lo Chun Yang.

### **(b) Substantial shareholders of other members of the Group**

So far as is known to the Directors and the chief executive of the Company, as at 30th September 2004, the following persons (not being Directors or chief executive of the Company) were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

<b>Name of subsidiary</b>	<b>Name of Shareholder</b>	<b>Percentage of shareholding (%)</b>
CSP (HK) Limited	Complete Success Limited	40

**SUBSTANTIAL SHAREHOLDERS** *(continued)*

Save as disclosed above, as at 30th September 2004, the Directors and the chief executive of the Company were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the Shares or underlying Shares, which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

As at 30th September 2004, save and except Mr. Ng Tat Leung, George, Mr. Wong Teck Ming, Phillip and Mr. Chan Wai Keung, Ivan, all being Executive Directors, are the directors of Total Success Worldwide Limited, none of the Directors was a director or employee of a company which had, or was deemed to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

**AUDIT COMMITTEE**

The audit committee has reviewed with the management the financial reporting matters, including the unaudited condensed financial statements, related to the preparation of the interim report for the six months ended 30th September 2004.

**CODE OF BEST PRACTICE**

None of the Directors is aware of any information that would reasonably indicate that the Group 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 of the Listing Rules except that the independent 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.