

SHARE OPTION SCHEMES

The share option scheme which was adopted by the Company on 1st February 1993 (“Old Scheme”) was originally due to expire on 31st January 2003. As a result of certain changes to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”), the directors proposed and the shareholders in general meeting approved on 6th June 2002 early termination of the Old Scheme and adoption of a new share option scheme (“New Scheme”). After termination of the Old Scheme, no more option can be granted pursuant to the Old Scheme and in respect of all the outstanding options granted under the Old Scheme, the provisions of the Old Scheme shall remain in force.

Information disclosed in accordance with the Listing Rules in relation to share option schemes is as follows:

1. Number of options granted under the Old Scheme and remained outstanding as at 1st January 2002 and 30th June 2002 are as follows:

Name	Number of options	Notes
ZHANG Fangyou	1,920,000	(3)
LU Zhifeng	1,730,000	(3)
YANG Dadong	1,276,000	(3)
CHEN Xuejun	1,276,000	(3)
ZHANG Baoqing	1,460,000	(3)
ZENG Qinghong	1,276,000	(3)
DING Baoshan	1,276,000	(3)
Aggregate total of employees	550,000	(1)
	385,000	(2)
	48,880,000	(3)

Notes:

- (1) Share options granted on 5th March 1999 at an exercise price (adjusted due to bonus issue) of HK\$0.2829 per share for a period for three years commencing on the expiry of six months after the date of grant of the share options, and shall expire at the end of the three years' period or 31st January 2003, whichever is earlier. The consideration paid by each grantee for the option granted was HK\$1.
 - (2) Share options granted on 15th June 1999 at an exercise price (adjusted due to bonus issue) of HK\$0.3687 per share for a period of three years commencing on the expiry of six months after the date of grant of the share options, and shall expire at the end of the three years' period or 31st January 2003, whichever is earlier. The consideration paid by each grantee for the option granted was HK\$1.
 - (3) Share options granted on 18th July 2001 at an exercise price of HK\$2.156 per share for a period of three years commencing on the expiry of six months after the date of grant of the share options, and shall expire at the end of the three years' period or 31st January 2003, whichever is earlier. The consideration paid by each grantee for the option granted was HK\$1.
2. No option was granted, exercised, lapsed or cancelled pursuant to the Old Scheme during the six months ended 30th June 2002.
3. No option was granted pursuant to the New Scheme since its adoption on 6th June 2002.