

Notes:

1. 228,421,601 shares and 1,043,056,835 warrants were held by Lawnside International Limited (“Lawnside”). Lawnside is wholly owned by Lanchester Limited, which is a company beneficially owned by a discretionary trust, the eligible discretionary objects of which include Mr. Paul Kan Man Lok and his family members and staff of Champion and its subsidiaries. Currently, only Mr. Paul Kan Man Lok and his family members are discretionary objects of the trust. As at 31 December 2002, Lawnside held approximately 36% of the entire issued share capital of the Company. These warrants expired on 6 January 2003. The interests in these shares and warrants are classified as other interests under the Listing Rules.
2. 1,265,940,702 shares were held by the Company and 399,084,420 shares were held by Lawnside. These are classified as other interests under the Listing Rules.
3. 117,300,000 shares were held by the Company and 2,669,171 shares were held by Lawnside. These are classified as other interests under the Listing Rules.

Save as disclosed above and other than certain nominee shares in subsidiaries held by directors in trust for the Company or its subsidiaries, none of the directors or any of their associates had any interest in the securities of the Company or any of its associated corporations as defined in the SDI Ordinance as at 31 December 2002.

SHARE OPTIONS AND DIRECTORS’ RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Each of the Company, Kantone, a 57% owned subsidiary of the Company, and Digital HK, a 78% owned subsidiary of the Company, has adopted a share option scheme on 29 November 2002 for the purpose of attracting and retaining quality personnel and other persons to provide incentive to them to contribute to their respective businesses and operations. Under the share option scheme, each company may grant options to eligible persons, including directors and employees of the relevant company, its subsidiaries and companies in which it holds a direct or indirect equity interest, to subscribe for its shares. The options may be granted without any initial payment at an exercise price equal to the highest of (i) the nominal value of the shares; (ii) the closing price per share as stated in the Stock Exchange’s daily quotations sheet on the date of the grant of the option, which must be a business day; and (iii) the average closing price per share as stated in the Stock Exchange’s daily quotations sheets for the five business days immediately preceding the date of the grant of the option. The option may be exercised during such period as may be determined by the directors, which shall be less than ten years from the date of grant. The maximum number of shares in respect of which options may be granted under the share option scheme and any other share option scheme(s) of the relevant company shall not exceed 10 percent of its issued share capital at 29 November 2002. The maximum number of shares in respect of which options may be granted to any one grantee in any 12-month period shall not exceed 1 percent of the issued share capital of the relevant company on the last date of such 12-month period unless approval of its shareholders has been obtained in accordance with the Listing Rules. Each share option scheme will remain in force for a period of 10 years from 29 November 2002.

(i) The Company

No option had been granted under the existing share option scheme of the Company.

Details of share options granted by the Company to its directors and employees under the previous share option scheme of the Company (which expired on 29 July 2002) as at 31 December 2002 are as follows:

Name of director	Exercisable period	Exercise price HK\$	Number of options outstanding at 1.7.2002 and 31.12.2002
Leo Kan Kin Leung	8.2.2000 to 7.2.2003	5.82 **	80,000
Sunny Lai Yat Kwong	8.2.2000 to 7.2.2003	5.82 **	80,000
			160,000
Employees	8.2.2000 to 7.2.2003	5.82 **	5,040,000
			5,200,000

The number of shares under the options and the exercise prices have been adjusted as a result of a bonus issue of the Company's shares on the basis of one share for every share then held by the shareholders of the Company on 19 December 2001.

* The number of shares under the options and the exercise prices have been adjusted as a result of the consolidation of 25 shares of HK\$0.10 each of the Company into 1 share of HK\$2.50 and thereafter reduction of the nominal value of each of the issued and unissued shares of the Company from HK\$2.50 each to HK\$0.10 each on 4 May 2002.

(ii) Kantone

No option had been granted under any share option scheme of Kantone as at 31 December 2002.

(iii) Digital HK

No option had been granted under any share option scheme of Digital HK as at 31 December 2002.

Other than the option schemes described above, at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any

other body corporate and none of the directors, or their spouse and children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the period.

CLOSURE OF REGISTER OF MEMBERS

In order to determine entitlement to the interim dividend and the scrip dividend scheme, the register of members of the Company will be closed from 10 April 2003 to 16 April 2003, both days inclusive, during which period no transfer of shares of the Company will be effected. All transfers, accompanied by the relevant share certificates, and in the case of warrant holders, all duly completed subscription forms accompanied by the relevant warrant certificates and the appropriate subscription monies, must be lodged with the Company's Hong Kong Share Registrars, Secretaries Limited, G/F, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong by no later than 4:00 p.m. on 9 April 2003.

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2002, the register of substantial shareholders maintained under Section 16(1) of the SDI Ordinance showed that, other than the interests of the directors disclosed above under the section headed "Directors' Interests in Securities", the Company had not been notified of any other interests representing 10% or more of the Company's issued share capital.

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

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

AUDIT COMMITTEE

The Audit Committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including a review of the unaudited interim financial report.

CORPORATE GOVERNANCE

The Company has complied throughout the period with the Code of Best Practice as set out in Appendix 14 of the Listing Rules.

By Order of the Board
Paul KAN Man Lok
Chairman

Hong Kong, 21 March 2003