

## Directors' Interests in Securities

As of 30th June 2006, the interests and short positions of each director of the Company in the shares, underlying shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO"), and the details of any right to subscribe for shares of the Company and of the exercise of such rights, as required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions, if any, which they are taken or deemed to have under such provisions of the SFO) or as recorded in the register of the Company required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"), were as follows:

### (a) Ordinary Shares

Name of Directors	Number of Shares				Total	Approximate % of Issued Share Capital
	Personal Interests	Family Interests	Corporate Interests	Other Interests		
Lui Che Woo	6,468,014	7,130,234 <sup>(1)</sup>	38,129,737 <sup>(2)</sup>	1,257,389,151 <sup>(3)</sup>	1,309,117,136	54.39
Francis Lui Yiu Tung	5,799,164	—	—	1,257,389,151 <sup>(3)</sup>	1,263,188,315	52.48
Lennon Lun Tsan Kau	2,224,000	—	—	—	2,224,000	0.09
Eddie Hui Ki On	580,000	—	—	—	580,000	0.02
William Lo Chi Chung	630,000	—	—	—	630,000	0.03
Paddy Tang Lui Wai Yu	8,308,166	—	—	1,257,389,151 <sup>(3)</sup>	1,265,697,317	52.59
Sir David Akers-Jones	150,000	—	—	—	150,000	0.01
Michael Leung Man Kin	700,000	—	—	—	700,000	0.03
Philip Wong Kin Hang	600,000	—	—	—	600,000	0.02
Leo Lee Tung Hai	650,000	—	—	—	650,000	0.03
Robin Chan Yau Hing	928,977	—	—	—	928,977	0.04
Charles Cheung Wai Bun	907,239	—	—	—	907,239	0.04
Robert George Nield	500,000	—	—	—	500,000	0.02

Unless otherwise stated, all personal interests stated above were held by the respective directors in the capacity of beneficial owners.

Notes:

- (1) Dr. Lui Che Woo was deemed to be interested in 7,130,234 shares in the Company through the interests of his spouse.
- (2) 35,075,725 shares and 3,054,012 shares in the Company were respectively held by Best Chance Investments Ltd. and Po Kay Securities & Shares Company Limited, both of which were directly or indirectly controlled by Dr. Lui Che Woo.
- (3) 1,257,389,151 shares in the Company representing more than one-third of its issued share capital were held by the discretionary trusts established by Dr. Lui Che Woo as founder. Dr. Lui Che Woo, Mr. Francis Lui Yiu Tung and Ms. Paddy Tang Lui Wai Yu, as either direct or indirect discretionary beneficiaries of the discretionary family trusts, were deemed to be interested in those shares in the Company held by the trusts.

## Directors' Interests in Securities (cont'd)

### (b) Underlying Shares — Share Options

Share options, which are unlisted and physically settled, to subscribe for ordinary shares in the Company were beneficially held by certain directors of the Company.

As of 30th June 2006, the particulars of the options held by each of the directors of the Company, the employees of the Company and its subsidiaries (other than directors of the Company) in aggregate and other participants granted under the Share Option Scheme of the Company or under any other share option schemes of the Company, were as follows:

Holders	Date of grant	Number of Options		Held at 30th June 2006	Exercise price per share (HK\$)	Exercise period
		Held at 1st January 2006	Exercise during the Period			
Lui Che Woo	21st Oct 2005	1,350,000	—	1,350,000	1.9060	22nd Oct 2006 – 21st Oct 2011
Francis Lui Yu Tung	21st Oct 2005	1,340,000	—	1,340,000	1.9060	22nd Oct 2006 – 21st Oct 2011
Lennon Lun Tsan Kau	21st Oct 2005	670,000	—	670,000	1.9060	22nd Oct 2006 – 21st Oct 2011
Eddie Hui Ki On	21st Oct 2005	580,000	—	580,000	1.9060	22nd Oct 2006 – 21st Oct 2011
William Lo Chi Chung	21st Oct 2005	530,000	—	530,000	1.9060	22nd Oct 2006 – 21st Oct 2011
Paddy Tang Lui Wai Yu	21st Oct 2005	930,000	—	930,000	1.9060	22nd Oct 2006 – 21st Oct 2011
Sir David Akers-Jones	28th Feb 2003	150,000	—	150,000	0.7200	1st Mar 2004 – 28th Feb 2013

## Directors' Interests in Securities (cont'd)

### (b) Underlying Shares — Share Options (cont'd)

Holders	Date of grant	Number of Options			Exercise price per share (HK\$)	Exercise period
		Held at 1st January 2006	Exercise during the Period	Held at 30th June 2006		
Michael Leung Man Kin	21st Oct 2005	400,000	—	400,000	1.9060	22nd Oct 2006 – 21st Oct 2011
Philip Wong Kin Hang	21st Oct 2005	300,000	—	300,000	1.9060	22nd Oct 2006 – 21st Oct 2011
Leo Lee Tung Hai	21st Oct 2005	500,000	—	500,000	1.9060	22nd Oct 2006 – 21st Oct 2011
Robin Chan Yau Hing	21st Oct 2005	500,000	—	500,000	1.9060	22nd Oct 2006 – 21st Oct 2011
Charles Cheung Wai Bun	21st Oct 2005	600,000	—	600,000	1.9060	22nd Oct 2006 – 21st Oct 2011
Robert George Nield	21st Oct 2005	500,000	—	500,000	1.9060	22nd Oct 2006 – 21st Oct 2011
Employees (in aggregate)	20th May 1998	33,000	—	33,000	0.5586	20th May 1999 – 19th May 2008
	30th Dec 1999	#150,000	—	150,000	0.3600	30th Dec 2000 – 29th Dec 2009
	28th Feb 2003	615,000	120,000 <sup>(a)</sup>	495,000	0.7200	1st Mar 2004 – 28th Feb 2013
	29th Dec 2003	2,000,000	—	2,000,000	1.3000	30th Dec 2003 – 29th Dec 2013
	21st Oct 2005	11,689,000	—	11,689,000	1.9060	22nd Oct 2006 – 21st Oct 2011
Others	30th Dec 1999	#150,000	—	150,000	0.3600	30th Dec 2000 – 29th Dec 2009
	28th Feb 2003	150,000	150,000 <sup>(b)</sup>	—	0.7200	1st Mar 2004 – 28th Feb 2013
	21st Oct 2005	340,000	—	340,000	1.9060	22nd Oct 2006 – 21st Oct 2011

# On reclassification of a total number of 150,000 share options under "Employees" to "Others" after the option holder ceased to be an employee of a subsidiary of the Company.

## Directors' Interests in Securities (cont'd)

### (b) Underlying Shares — Share Options (cont'd)

*Notes:*

- (a) The weighted average closing price of the shares in the Company immediately before the date on which the options were exercised during the Period was HK\$2.40.
- (b) The weighted average closing price of the shares in the Company immediately before the date on which the options were exercised during the Period was HK\$1.72.

Except for the options granted on 29th December 2003 which were fully vested at the date of grant, the other options referred to above were subject to a one-year vesting period.

No options were granted, cancelled or lapsed during the Period.

All the interests stated above represent long positions.

Dr. Lui Che Woo, Mr. Francis Lui Yiu Tung and Ms. Paddy Tang Lui Wai Yu were deemed to be interested in the issued share capital of every other subsidiary and jointly controlled entity of the Company.

Save as disclosed above, as of 30th June 2006, none of the directors of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

## Substantial Shareholders' Interests

As of 30th June 2006, the interests of every person (not being a director or chief executive of the Company) in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

Name of Shareholders	Number of Ordinary Shares (Long Position)	Approximate % of Issued Share Capital
HSBC International Trustee Limited	1,257,579,151 <sup>(1)</sup>	52.25
Penta Investment Advisers Ltd.	291,800,104 <sup>(2)</sup>	12.12
Zwaanstra John	291,800,104 <sup>(2)</sup>	12.12
Marapro Co., Ltd.	190,228,080 <sup>(3)</sup>	7.90
Symmetry Co., Ltd.	190,228,080 <sup>(3)</sup>	7.90
Polymate Co., Ltd.	190,228,080 <sup>(4)</sup>	7.90

Notes:

- (1) HSBC International Trustee Limited is the trustee of discretionary trusts which (as of the end of the Period) held 1,257,579,151 shares in the Company.
- (2) Penta Investment Advisers Ltd., a company controlled by Zwaanstra John, was (as of the end of the Period) interested in 291,800,104 shares in the Company in the capacity of investment manager.
- (3) Marapro Co., Ltd. is a beneficiary and Symmetry Co., Ltd. is a trustee of a trust which (as of the end of the Period) was interested in 190,228,080 shares in the Company.
- (4) Polymate Co., Ltd. is the ultimate holding company of those companies which (as of the end of the Period) were interested in 190,228,080 shares in the Company.

There was duplication of interest of:

- (i) 1,257,389,151 shares in the Company among Dr. Lui Che Woo, Mr. Francis Lui Yiu Tung, Ms. Paddy Tang Lui Wai Yu. These shares were also interested by HSBC International Trustee Limited and of these shares, 190,228,080 shares in the Company were also interested by Marapro Co., Ltd., Symmetry Co., Ltd. and Polymate Co., Ltd.; and
- (ii) 291,800,104 shares in the Company between Penta Investment Advisers Ltd. and Zwaanstra John.

Save as disclosed above, as of 30th June 2006, the Company had not been notified by any persons who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

## Purchase, Sale or Redemption of the Company's Listed Securities

The Company has not redeemed any of its shares and any of its convertible bonds during the Period. Neither the Company nor any of its subsidiaries have purchased or sold any of the Company's shares or convertible bonds during the Period.

## Audit Committee

The Audit Committee, which comprises two Independent Non-executive Directors and one Non-executive Director of the Company, has reviewed the accounting principles and practices adopted by the Company and discussed auditing, internal control and financial reporting matters. The Audit Committee, together with PricewaterhouseCoopers who are the Auditors of the Company, has reviewed the Group's unaudited interim results for the Period.

## Code of Conduct for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors as set out in Appendix 10 to the Listing Rules ("Model Code"). Having made specific enquiries with all its Directors, the Company confirms that during the Period all its Directors have complied with the required standards as set out in the Model Code.

## Corporate Governance

During the Period, the Company has complied with the provisions ("Code Provisions") in the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules, save for the deviation from Code Provision A.4.2. The Chairman of the Board and the Managing Director are not subject to retirement by rotation. The Board believes that the underlying rationale for such a deviation, as mentioned in the section on "Compliance with Appendix 14" in the Corporate Governance Report of the 2005 Annual Report of the Company, still holds. The Board considers that the spirit of Code Provision A.4.2 has been upheld, given that over one-third of the Directors (except for the case of the Chairman and the Managing Director) do retire by rotation every 3 years as a matter of actual practice and the continuity in office of the Chairman and the Managing Director is of considerable benefit to the Company and an asset of the Group. The Board will continue to review and recommend such step and action as appropriate in the circumstances of such deviation.

## Close of Registers of Members

The registers of members of the Company will be closed from 9th October 2006 to 13th October 2006 (both days inclusive), during which no transfer of shares will be effected. In order to qualify for the interim dividends, shareholders must ensure that all duly completed transfers together with the relevant share certificates are lodged with the Company's Branch Share Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:00 p.m. on 6th October 2006.

By Order of the Board  
**Ricky Chan Ming Tak**  
*Company Secretary*

Hong Kong, 14th September 2006