

DIRECTORS' RIGHTS TO ACQUIRE SHARES

(i) The Company

Under the employee share option scheme of the Company adopted on 10 August 1992, the options are exercisable on or before 28 July 2002 at an initial subscription price of HK\$1.18 per share (subject to adjustment). The number of outstanding share options as at 30 June 2001 is as follows:

Directors	Number of share options		
	At beginning of period	Granted during the period	As at 30 June 2001
Ng Hung Sang, Robert	13,000,000	—	13,000,000
Cheung Choi Ngor, Christina	13,000,000	—	13,000,000
Richard Howard Gorges	13,000,000	—	13,000,000

No share option was exercised by the Directors to subscribe for a share in the Company during the period.

(ii) Ultimate holding company — South China Holdings Limited (“South China Holdings”)

Under the employee share option scheme of South China Holdings adopted on 29 July 1992, the options are exercisable on or before 28 July 2002 at the respective initial subscription prices of HK\$1.36 and HK\$0.88 per share (subject to adjustment). The number of outstanding share options as at 30 June 2001 is as follows:

Directors	Number of share options		
	At beginning of period	Granted during the period	As at 30 June 2001
Ng Hung Sang, Robert	4,199,000	—	4,199,000
Cheung Choi Ngor, Christina	4,198,000	—	4,198,000
Richard Howard Gorges	4,198,000	—	4,198,000

No share option was exercised by the Directors to subscribe for a share in South China Holdings during the period.

(iii) Subsidiary — South China Information and Technology Limited (“South China IT”)

Under the employee share option scheme of South China IT adopted on 13 October 1997, the options are exercisable on or before 12 October 2007 at the respective initial subscription prices of HK\$1.28 and HK\$0.51 per share (subject to adjustment). The number of outstanding share options as at 30 June 2001 is as follows:

Directors	Number of share options		
	At beginning of period	Granted during the period	As at 30 June 2001
Cheung Choi Ngor, Christina	17,000,000	—	17,000,000

No share option was exercised by the Directors to subscribe for a share in South China IT during the period.

(iv) Fellow subsidiary — South China Brokerage Company Limited (“South China Brokerage”)

Under the employee share option scheme of South China Brokerage adopted on 12 July 1993, the options are exercisable on or before 11 July 2003 at the respective initial subscription prices of HK\$1.80, HK\$0.138 and HK\$0.238 per share (subject to adjustment). The number of outstanding share options as at 30 June 2001 is as follows:

Directors	Number of share options		
	At beginning of period	Granted during the period	As at 30 June 2001
Ng Hung Sang, Robert	100,000,000	—	100,000,000
Cheung Choi Ngor, Christina	100,000,000	—	100,000,000
Richard Howard Gorges	50,000,000	—	50,000,000

No share option was exercised by the Directors to subscribe for a share in South China Brokerage during the period.

Save as disclosed above, at no time during the six months ended 30 June 2001 was the Company, its ultimate holding company, its fellow subsidiaries or any of its subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.