

DIRECTORS' INTERESTS IN SHARE CAPITAL AND SHARE OPTIONS

(a) Shares

As at 30th June, 2001, the interests of the directors and their associates in the share capital of the Company as recorded in the register maintained by the Company pursuant to Section 29 of the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance") of the Company were as follows:

Name of director	Number of ordinary shares beneficially owned			
	Personal interests	Family interests	Corporate interests	Other interests
Dr. Yung Yau	93,285,000	3,200,000	–	156,000,000 (Note 1)
Mr. Billy Yung Kwok Kee	39,609,000	–	2,200,000	156,000,000 (Note 1) 10,412,000 (Note 3)
Dr. Leo Tung-Hai Lee	300,000	–	–	–
Mr. Shiu-Kit Ngai	–	–	–	–
Mr. Simon Yung Kwok Choi	18,666,000	–	–	–
Madam Yung Ho Wun Ching	3,200,000 (Note 2)	93,285,000 (Note 2)	–	156,000,000 (Note 1)
Mr. Nicholas Yang Wei Hsiung	350,000	–	–	–
Mr. Leung Chun Wah	1,799,400	–	–	–
Mr. Plato Poon Chak Sang	739,200	–	–	–

Notes:

1. These shares are held by a trust for the benefit of Dr. Yung Yau, Mr. Billy Yung Kwok Kee and Madam Yung Ho Wun Ching.
2. The shares held by Madam Yung Ho Wun Ching under her family interests and personal interests are in fact the same shares included under the personal interests and family interests respectively of Dr. Yung Yau.
3. These shares are held by a trust for the benefit of Mr. Billy Yung Kwok Kee.

Disclosure of Interests (continued)

DIRECTORS' INTERESTS IN SHARE CAPITAL AND SHARE OPTIONS (continued)

(b) Options

The directors had personal interests in share options to subscribe for shares in the Company as follows:

Name of director	Period during which option rights are exercisable	Subscription price per share HK\$	Number of share options As at 01.01.2001 and 30.06.2001
Dr. Yung Yau	28.01.2001 – 27.07.2003	1.38	1,072,000
	28.07.2001 – 27.07.2003	1.38	1,072,000
	28.01.2002 – 27.07.2003	1.38	1,072,000
	28.07.2002 – 27.07.2003	1.38	1,072,000
	28.01.2003 – 27.07.2003	1.38	1,340,000
Mr. Billy Yung Kwok Kee	28.07.2000 – 27.07.2003	1.38	1,072,000
	28.01.2001 – 27.07.2003	1.38	1,072,000
	28.07.2001 – 27.07.2003	1.38	1,072,000
	28.01.2002 – 27.07.2003	1.38	1,072,000
	28.07.2002 – 27.07.2003	1.38	1,072,000
28.01.2003 – 27.07.2003	1.38	1,340,000	
Dr. Leo Tung-Hai Lee	28.07.2000 – 27.07.2003	1.38	96,000
	28.01.2001 – 27.07.2003	1.38	96,000
	28.07.2001 – 27.07.2003	1.38	96,000
	28.01.2002 – 27.07.2003	1.38	96,000
	28.07.2002 – 27.07.2003	1.38	96,000
28.01.2003 – 27.07.2003	1.38	120,000	
Mr. Shiu-Kit Ngai	28.07.2000 – 27.07.2003	1.38	80,000
	28.01.2001 – 27.07.2003	1.38	80,000
	28.07.2001 – 27.07.2003	1.38	80,000
	28.01.2002 – 27.07.2003	1.38	80,000
	28.07.2002 – 27.07.2003	1.38	80,000
28.01.2003 – 27.07.2003	1.38	100,000	
Madam Yung Ho Wun Ching	28.01.2001 – 27.07.2003	1.38	800,000
	28.07.2001 – 27.07.2003	1.38	800,000
	28.01.2002 – 27.07.2003	1.38	800,000
	28.07.2002 – 27.07.2003	1.38	800,000
	28.01.2003 – 27.07.2003	1.38	1,000,000
Mr. Nicholas Yang Wei Hsiung	28.07.2000 – 27.07.2003	1.38	80,000
	28.01.2001 – 27.07.2003	1.38	80,000
	28.07.2001 – 27.07.2003	1.38	80,000
	28.01.2002 – 27.07.2003	1.38	80,000
	28.07.2002 – 27.07.2003	1.38	80,000
28.01.2003 – 27.07.2003	1.38	100,000	
Mr. Leung Chun Wah	28.07.2000 – 27.07.2003	1.38	120,000
	28.01.2001 – 27.07.2003	1.38	120,000
	28.07.2001 – 27.07.2003	1.38	120,000
	28.01.2002 – 27.07.2003	1.38	120,000
	28.07.2002 – 27.07.2003	1.38	120,000
28.01.2003 – 27.07.2003	1.38	150,000	
Mr. Plato Poon Chak Sang	28.07.2000 – 27.07.2003	1.38	120,000
	28.01.2001 – 27.07.2003	1.38	120,000
	28.07.2001 – 27.07.2003	1.38	120,000
	28.01.2002 – 27.07.2003	1.38	120,000
	28.07.2002 – 27.07.2003	1.38	120,000
28.01.2003 – 27.07.2003	1.38	150,000	

No option has been granted to or exercised by any of the directors during the period.

DIRECTORS' INTERESTS IN SHARE CAPITAL AND SHARE OPTIONS (continued)**(c) Shares in a subsidiary**

As at 30th June, 2001, the Group Managing Director, Mr. Billy Yung Kwok Kee, through a company controlled by him, held 5,000 shares of Quickjay Management Limited, a 90% owned subsidiary of the Company, representing a 10% interest in Quickjay Management Limited.

In addition to the above, certain directors held shares in subsidiaries as trustees for the Company.

(d) Disclosure of other interests

- (i) As at 30th June, 2001, Dr. Yung Yau, the Chairman of the Group, and Mr. Billy Yung Kwok Kee, the Managing Director of the Group, through companies controlled by them held 625,000 and 2,750,892 preferred stock at par value of US\$0.01 each respectively, convertible promissory note (with warrant attached) in the value of US\$200,000 each respectively and common stock purchase warrant for subscription of 300,000 shares of common stock at an exercise price per share of US\$1.00 each respectively in Neutility Corp. Neutility Corp. is a company in which the Group held, as at 30th June, 2001, 13,503,576 preferred stock at par value of US\$0.01 each, convertible promissory note (with warrant attached) in the value of US\$1,600,000 and common stock purchase warrant for subscription of 2,400,000 shares of common stock at an exercise price of US\$1.00 per share.
- (ii) During the period, the Group's 100% owned subsidiary, Extra-Fund Investment Limited, entered into securities trading transactions with Tung Tai Securities Co., Ltd. of which the Group's independent non-executive director, Dr. Leo Tung-Hai Lee was both a director and a substantial shareholder. The transactions were conducted on arm's length basis and gave rise to a broker's commission for approximately HK\$162,000 for the six months ended 30th June, 2001.

Other than as disclosed above, none of the directors or their associates had any interests in any securities of the Company or any of its associated corporations as defined in the SDI Ordinance, and none of the directors nor their spouses or 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 six months ended 30th June, 2001.

Disclosure of Interests (continued)

SUBSTANTIAL SHAREHOLDERS

As at 30th June, 2001, the register of substantial shareholders maintained by the Company under Section 16(1) of the SDI Ordinance showed that the following shareholders had an interest of 10% or more in the issued share capital of the Company.

Name of shareholder	No. of ordinary shares
Herald Rich Company Limited (<i>Note a</i>)	156,000,000
Dr. Yung Yau (<i>Note b</i>)	93,285,000
Mr. Billy Yung Kwok Kee (<i>Note c</i>)	52,221,000

Notes:

- (a) The 156,000,000 shares held by Herald Rich Company Limited were disclosed in the Directors' interests in share capital and share options above as being held under a trust for the benefit of Dr. Yung Yau, Mr. Billy Yung Kwok Kee and Madam Yung Ho Wun Ching.
- (b) The 93,285,000 shares held by Dr. Yung Yau were disclosed in the Directors' interests in share capital and share options above.
- (c) The 52,221,000 shares held by Mr. Billy Yung Kwok Kee were disclosed in the Directors' interests in share capital and share options above.

Other than as disclosed above, the Company has not been notified of any other interests representing 10% or more of the Company's issued share capital as at 30th June, 2001.