

The Directors believe that China's accession to the World Trade Organization would create tremendous business opportunities and raise hopes to the existing market environment. In light of this, the Group will continue to search for good investment opportunities by means of acquisition or strategic alliance so as to capture and cultivate the lucrative China market.

DIRECTORS' AND CHIEF EXECUTIVES INTERESTS IN SECURITIES

At 31st January, 2002, the interests of the directors in the share capital of the Company and the associated corporation as recorded in the register maintained by the Company pursuant to Section 29 of the Hong Kong Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance") were as follows:

(i) Shares

Share in the Company

Name of director	Personal interest	Corporate interest
	Number of shares held	Number of shares held
Mr. Yip Kwong, Robert	27,000,000	819,518,739 (Note)
Ms. Cheng Kit Yin, Kelly	71,574,000	–

Note: These shares are owned by Central Securities Holdings Limited, a wholly owned subsidiary of Everbest Holdings Group Limited which is a company wholly owned by Mr. Yip Kwong, Robert.

Shares in GreaterChina Technology Group Limited

Name of director	Personal interest	Corporate interest
	Number of shares held	Number of shares held
Mr. Yip Kwong, Robert	1,201,500	280,673,394 (Note)
Ms. Cheng Kit Yin, Kelly	44,046,020	–

Note: 258,451,559 shares are owned by the Company, in which Mr. Yip Kwong, Robert was interested in 846,518,739 shares in the Company, representing approximately 37.5% interest in the Company as at 31st January, 2002 and 22,221,835 shares are owned by Central Securities Holdings Limited.

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(ii) Options

Options in the Company

The Company has a share option scheme which was adopted at a special general meeting of the Company held on 30th September, 1994 (the "Old Scheme"). The directors had personal interests in share options to subscribe for shares in the Company which were granted under the Old Scheme as follows:

Name of director	Date of grant	Exercise price HK\$	Number of share options outstanding as at 1st August, 2001 and 31st January, 2002
Mr. Yip Kwong, Robert	5th March, 1997	0.43	5,000,000
	26th January, 2000	0.30	8,000,000
	22nd March, 2000	0.33	10,000,000
Ms. Cheng Kit Yin, Kelly	5th March, 1997	0.43	5,000,000
	26th January, 2000	0.30	4,000,000
	22nd March, 2000	0.33	10,000,000
Mr. Chung Shui Ming	22nd March, 2000	0.33	10,000,000
Mr. Kam Shing	26th January, 2000	0.30	3,000,000
Ir. Lo Sek Chiu, Vincent	12th February, 1996	0.53	3,000,000
	26th January, 2000	0.30	10,000,000
Dr. Wong King Keung, Peter	26th January, 2000	0.30	5,000,000

There were no options granted to or exercised by the directors under the Old Scheme during the Period.

Under the terms of the Old Scheme, the board of directors of the Company may, at their discretion, grant options to employees, including executive directors, of the Company or its subsidiaries to subscribe for shares in the Company at a price equal to the higher of the nominal value of the shares and an amount not less than 80% of the average of the closing prices of the shares on the Stock Exchange on the five

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trading days immediately preceding the date of the grant of the options, subject to a maximum of 10% of the issued share capital of the Company from time to time. Options granted under the scheme will entitle the holder to subscribe for shares from the date of grant up to 30th September, 2004.

On 10th January, 2002, the Company has passed an ordinary resolution for the termination of the Old Scheme and adopt a new share option scheme (the “New Scheme”) for the benefit of the full time employees and directors of the Group and other eligible participants in compliance with the amended Chapter 17 of the Listing Rules. Under the terms of the New Scheme, the board of directors of the Company may, at their discretion, grant options to employees, including executive directors, of the Company or its subsidiaries to subscribe for shares in the Company at a price equal to the higher of the nominal value of the shares and an amount not less than the average of the closing prices of the shares on the Stock Exchange on the five trading days immediately preceding the date of the grant of the options, subject to a maximum of 10% of the issued share capital of the Company from time to time. Options granted under the scheme will entitle the holder to subscribe for shares from the date of grant up to 9th January, 2012. There were no options granted to or exercised by the directors under the New Scheme during the Period.

Options in GreaterChina Technology Group Limited (“GCTG”)

The Company’s associate, GCTG, has a share option scheme (the “Existing Scheme”) under which GCTG’s full time employees and executive directors may be granted options to subscribe for shares in GCTG.

The director of the Company had personal interests in share options to subscribe for shares in GCTG which were granted under the Existing Scheme as follows:

Name of director	Date of grant	Exercise price	Number of share options outstanding as at 1st August, 2001 and 31st January, 2002
		HK\$	
Ms. Cheng Kit Yin, Kelly	19th December, 2000	0.218	16,000,000

There were no options granted to or exercised by the directors under the Existing Scheme during the Period.

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Under the terms of the Existing Scheme, the board of directors of GCTG may, at their discretion, grant options to employees, including executive directors, of GCTG or its subsidiaries to subscribe for shares in GCTG at a price equal to the higher of the nominal value of the shares and an amount not less than the average of the closing prices of the shares on the Stock Exchange on the five trading days immediately preceding the date of the grant of the options, subject to a maximum of 10% of the issued share capital of GCTG from time to time. Options granted under the scheme will entitle the holder to subscribe for shares from the date of grant up to 18th February, 2010.

On 8th April, 2002, GCTG has passed an ordinary resolution for the termination of the Existing Scheme and adopt a new share option scheme (the "Revised Scheme") for the benefit of the full time employees and directors of GCTG group and other eligible participants in compliance with the amended Chapter 23 of The Rules Governing the Listing of Securities on the Growth Enterprise Market operated by the Stock Exchange (the "GEM Listing Rules"). Under the terms of the Revised Scheme, the board of directors of GCTG may, at their discretion, grant options to employees, including executive directors of GCTG or its subsidiaries to subscribe for shares in GCTG at a price equal to the higher of the nominal value of the shares and an amount not less than the average of the closing prices of the shares on the Stock Exchange on the five trading days immediately preceding the date of the grant of the options, subject to a maximum of 10% of the issued share capital of GCTG from time to time. Options granted under the scheme will entitle the holder to subscribe for shares from the date of grant up to 7th April, 2012.

(iii) Warrants

At 31st January, 2002, the directors did not hold any warrants issued by the Company.

Other than as disclosed above, at no time during the Period was the Company, any of its holding companies, fellow subsidiaries or subsidiaries a party to any arrangements 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, and neither the directors nor the chief executives, nor any of 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 Period.