

## Directors' Interests in Equity or Debt Securities, Substantial Shareholders and Other Information

### Directors' Interests in Equity or Debt Securities

As at 30 June 2002, the directors, chief executives and their associates had the following interests in the share capital and share options of the Company and its associated corporations (within the meaning of the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance")) which require notification pursuant to Section 28 of the SDI Ordinance or the Model Code for Securities Transactions by Directors of Listed Companies ("the Model Code") or as recorded in the register maintained pursuant to Section 29 of the SDI Ordinance:

#### (A) Shares of the Company of HK\$0.025 each

|                                    | Number of Shares  |                            |                 |                         |
|------------------------------------|-------------------|----------------------------|-----------------|-------------------------|
|                                    | Personal interest | Corporate interest         | Family interest | Other interest          |
| Dr Victor FUNG Kwok King           | —                 | 1,180,500,000 <sup>1</sup> | —               | 50,750,000 <sup>2</sup> |
| Dr William FUNG Kwok Lun           | 68,502,300        | 1,180,500,000 <sup>1</sup> | 4,000           | —                       |
| Mr Henry CHAN                      | 3,280,000         | —                          | —               | —                       |
| Mr Danny LAU Sai Wing              | 7,240,000         | —                          | —               | —                       |
| Ms Annabella LEUNG Wai Ping        | 2,880,000         | —                          | —               | —                       |
| Mr Bruce Philip ROCKOWITZ          | 8,000             | —                          | —               | 50,374,100 <sup>3</sup> |
| Mr LAU Butt Farn                   | 2,200,000         | —                          | —               | —                       |
| Professor Franklin Warren McFARLAN | 52,000            | —                          | —               | —                       |

Notes:

As at 30 June 2002,

- (1) (a) King Lun Holdings Limited ("King Lun"), a private company incorporated in the British Virgin Islands, held 49,950,800 Shares.
- (b) King Lun through its wholly-owned Hong Kong incorporated subsidiary, Li & Fung (1937) Limited, held 996,000,000 Shares.
- (c) Li & Fung (1937) Limited, through Orient Ocean Holdings Limited ("Orient Ocean"), a private company incorporated in the British Virgin Islands, held 134,549,200 Shares. Li & Fung (1937) Limited held 50% voting rights with no beneficial interest in Orient Ocean.

Dr Victor FUNG Kwok King and Dr William FUNG Kwok Lun are deemed to have interests in the 1,180,500,000 Shares, i.e. the total number of Shares mentioned in notes (1)(a), (b) and (c) above through their personal or other interests in King Lun as set out below:-

- (i) 1,332,840 shares in King Lun, representing 50% of its issued share capital, are owned by J.P. Morgan Trust Company (Jersey) Limited (formerly known as: Chase Bank & Trust Company (C.I.) Limited), the trustee of a trust established for the benefit of the family of Dr Victor FUNG Kwok King.
  - (ii) 1,332,840 shares in King Lun, representing 50% of its issued share capital, are owned by Dr William FUNG Kwok Lun.
- (2) 50,750,000 Shares in the Company are held by J.P. Morgan Trust Company (Jersey) Limited (formerly known as: Chase Bank & Trust Company (C.I.) Limited), the trustee of a trust established for the benefit of the family of Dr Victor FUNG Kwok King.
- (3) 50,374,100 Shares in the Company are held by Hurricane Millennium Holdings Limited, a company beneficially owned by a trust which has been set up for the benefit of family members of Mr Bruce Philip ROCKOWITZ.

## **(B) Share Options**

The interests of the directors and chief executives in the share options of the Company are detailed in the Share Option Scheme section stating below.

Save as disclosed above, at no time during the period, the directors and chief executives (including their spouse and children under 18 years of age) had any interest in, or had been granted, or exercised, any rights to subscribe for shares (or warrants or debentures, if applicable) of the Company or its associated corporations required to be disclosed pursuant to the SDI Ordinance and the Model Code.

## Share Option Scheme

On 2 June 1992, a share option scheme (the "Scheme") was approved by the shareholders of the Company. Under the terms of the Scheme, the directors may, at their discretion, invite executive directors and employees of the Group to take up options (the "Share Options") to subscribe for Shares in the Company subject to the terms and conditions stipulated therein.

Details of the Share Options granted under the Scheme and remain outstanding as at 30 June 2002 are as follows:

|                               | Options held<br>at 1 January<br>2002 | Options<br>granted<br>during the<br>period | Options<br>exercised<br>during the<br>period | Options<br>lapsed<br>during<br>the<br>period | Options held<br>at 30 June<br>2002 | Exercise<br>price<br>HK\$ | Grant date     | Exercisable from | Exercisable until |
|-------------------------------|--------------------------------------|--|--|--|------------------------------------|---------------------------|----------------|------------------|-------------------|
| Dr William FUNG Kwok Lun      | 480,000                              | —  | —  | —  | 480,000                            | 15.26                     | 7 July 2000    | 7 July 2001      | 6 July 2003       |
|                               | 480,000                              | —  | —  | —  | 480,000                            | 10.50                     | 18 July 2001   | 18 July 2002     | 17 July 2004      |
|                               | 480,000                              | —  | —  | —  | 480,000                            | 7.98                      | 28 August 2001 | 28 August 2003   | 27 August 2005    |
| Mr Henry CHAN                 | 1,200,000                            | —  | 1,200,000 <sup>1</sup>                       | —  | —                                  | 4.1525                    | 16 July 1999   | 16 July 2000     | 15 July 2002      |
|                               | 240,000                              | —  | —  | —  | 240,000                            | 15.26                     | 7 July 2000    | 7 July 2001      | 6 July 2003       |
|                               | 240,000                              | —  | —  | —  | 240,000                            | 10.50                     | 18 July 2001   | 18 July 2002     | 17 July 2004      |
|                               | 240,000                              | —  | —  | —  | 240,000                            | 7.98                      | 28 August 2001 | 28 August 2003   | 27 August 2005    |
| Mr Danny LAU Sai Wing         | 240,000                              | —  | 240,000 <sup>1</sup>                         | —  | —                                  | 4.1525                    | 16 July 1999   | 16 July 2000     | 15 July 2002      |
|                               | 240,000                              | —  | —  | —  | 240,000                            | 15.26                     | 7 July 2000    | 7 July 2001      | 6 July 2003       |
|                               | 240,000                              | —  | —  | —  | 240,000                            | 10.50                     | 18 July 2001   | 18 July 2002     | 17 July 2004      |
|                               | 240,000                              | —  | —  | —  | 240,000                            | 7.98                      | 28 August 2001 | 28 August 2003   | 27 August 2005    |
| Ms Annabella LEUNG Wai Ping   | 240,000                              | —  | —  | —  | 240,000                            | 15.26                     | 7 July 2000    | 7 July 2001      | 6 July 2003       |
|                               | 240,000                              | —  | —  | —  | 240,000                            | 10.50                     | 18 July 2001   | 18 July 2002     | 17 July 2004      |
|                               | 240,000                              | —  | —  | —  | 240,000                            | 7.98                      | 28 August 2001 | 28 August 2003   | 27 August 2005    |
| Mr Bruce Philip ROCKOWITZ     | 240,000                              | —  | —  | —  | 240,000                            | 7.98                      | 28 August 2001 | 28 August 2003   | 27 August 2005    |
| Continuous contract employees | 9,594,000                            | —  | 8,712,000 <sup>2</sup>                       | —  | 882,000                            | 4.1525                    | 16 July 1999   | 16 July 2000     | 15 July 2002      |
|                               | 8,056,000                            | —  | —  | 96,000                                       | 7,960,000                          | 15.26                     | 7 July 2000    | 7 July 2001      | 6 July 2003       |
|                               | 9,468,000                            | —  | —  | 42,000                                       | 9,426,000                          | 10.50                     | 18 July 2001   | 18 July 2002     | 17 July 2004      |
|                               | 10,404,000                           | —  | —  | 46,000                                       | 10,358,000                         | 7.98                      | 28 August 2001 | 28 August 2003   | 27 August 2005    |

### Notes:

- (1) The weighted average closing market price per share immediately before the dates on which the Share Options were exercised was HK\$12.60.
- (2) The weighted average closing market price per share immediately before the dates on which the Share Options were exercised was HK\$11.78.

## Substantial Shareholders

At 30 June 2002, the register of substantial shareholders maintained under Section 16(1) of the SDI Ordinance shows that the Company had been notified of the following substantial shareholder's interests, being 10% or more of the Company's issued share capital:—

|                                   | <b>Number of Shares</b> |
|-----------------------------------|-------------------------|
| Li & Fung (1937) Limited          | 996,000,000             |
| The Capital Group Companies, Inc. | 315,560,745             |

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

The Company has not redeemed any of its listed securities during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the period.

## Interim Dividend

The Board of Directors has resolved to declare an interim dividend of 8.5 HK cents (2001: 8 HK cents) per share for the six months ended 30 June 2002 absorbing a total of HK\$246 million (2001: HK\$230 million).

## Closure of Register of Members

The Register of Members will be closed from 2 September 2002 to 6 September 2002, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch registrars, Abacus Share Registrars Limited at 5th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong not later than 4:00 p.m. on 30 August 2002. Dividend warrants will be despatched on 6 September 2002.