

DIRECTORS' INTERESTS IN SHARES

At 30 June 2002, the interests of the directors and their associates in the share capital of the Company or its associated corporations, as recorded in the register maintained by the Company pursuant to Section 29 of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance"), were as follows:

Interests in the Company:

| Name of director | Nature of interest | Shares of the Company |
|-----------------------|--------------------|-----------------------|
| | | Number of shares held |
| Li Dong Sheng, Tomson | Personal | 20,006,000 |
| Lu Zhong Li | Personal | 500,000 |
| Hu Qiu Sheng | Personal | 500,000 |

Interests in associated corporation:

| Name of associated corporation | Name of director | Nature of interest | Percentage of interest in associated corporation |
|--------------------------------|------------------|--------------------|--|
| | | | |
| TCL Corporation | Li Dong Sheng, | Personal | 9.08% |
| (formerly Guangdong TCL | Tomson | | |
| Group Co., Ltd and formerly | Yuan Xin Cheng | Personal | 1.56% |
| TCL Holdings Corporation Ltd.) | Lu Zhong Li | Personal | 1.48% |
| | Hu Qiu Sheng | Personal | 1.19% |
| | Wu Shi Hong | Personal | 0.63% |

Note: TCL Corporation held 1,424,605,289 shares in the Company through its wholly-owned subsidiary, T.C.L. Industries Holdings (H.K.) Ltd. TCL Corporation is an associated corporation by virtue of its being a controlling shareholder of the Company.

Other Information

Interim Report 2002 • TCL International Holdings Limited

DIRECTORS' INTERESTS IN SHARES (continued)

Save as disclosed above, none of the directors or their associates had any personal, family, corporate or other interests in the equity or debt securities of the Company or any of its associated corporation, as defined in the SDI Ordinance.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed under the heading "Share option schemes" below, at no time during the period were rights to acquire benefits by means of acquisition of shares in or debentures of the Company granted to any director or their respective spouse or children under 18 years of age, or were such rights exercised by them; or was the Company, its subsidiaries, its holding companies or its fellow subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

SHARE OPTION SCHEMES

Details of the outstanding share options granted by the Company are as follows:

| Name or category of participant | Number of share options | | | | At 30 June 2002 | Date of grant | Exercise price HK\$ | Exercise period | Price of Company's shares at date of exercise# HK\$ |
|---------------------------------|-------------------------|-----------------------------|--------------------------|-----------------|-----------------|---------------|---------------------|-----------------|---|
| | At 1 January 2002 | Exercised during the period | Lapsed during the period | At 30 June 2002 | | | | | |
| Directors | | | | | | | | | |
| Li Dong Sheng, | 12,000,000 | — | — | 12,000,000 | 3 December 1999 | 2.236 | Note 1 | | |
| Tomson | 1,500,000 | (150,000) | — | 1,350,000 | 2 May 2001 | 0.928 | Note 2 | 1.470 | |
| | 13,500,000 | (150,000) | — | 13,350,000 | | | | | |
| Yuan Xin | 6,000,000 | — | — | 6,000,000 | 3 December 1999 | 2.236 | Note 1 | | |
| Cheng | 1,200,000 | (600,000) | — | 600,000 | 2 May 2001 | 0.928 | Note 2 | 1.440 | |
| | 7,200,000 | (600,000) | — | 6,600,000 | | | | | |
| Lu Zhong Li | 5,000,000 | — | — | 5,000,000 | 3 December 1999 | 2.236 | Note 1 | | |
| | 1,000,000 | (500,000) | — | 500,000 | 2 May 2001 | 0.928 | Note 2 | 1.470 | |
| | 10,000,000 | — | — | 10,000,000 | 28 May 2001 | 1.042 | Note 3 | | |
| | 16,000,000 | (500,000) | — | 15,500,000 | | | | | |
| Hu Qiu Sheng | 5,000,000 | — | — | 5,000,000 | 3 December 1999 | 2.236 | Note 1 | | |
| | 1,000,000 | (500,000) | — | 500,000 | 2 May 2001 | 0.928 | Note 2 | 2.350 | |
| | 6,000,000 | (500,000) | — | 5,500,000 | | | | | |
| Wu Shi Hong | 3,000,000 | — | — | 3,000,000 | 3 December 1999 | 2.236 | Note 1 | | |
| | 1,000,000 | (500,000) | — | 500,000 | 2 May 2001 | 0.928 | Note 2 | 2.325 | |
| | 4,000,000 | (500,000) | — | 3,500,000 | | | | | |

| Name or category of participant | Number of share options | | | | At 30 June 2002 | Date of grant | Exercise price HK\$ | Exercise period | Price of Company's shares at date of exercise [#] HK\$ |
|---------------------------------|-------------------------|-----------------------------|--------------------------|-----------------|-----------------|---------------|---------------------|-----------------|---|
| | At 1 January 2002 | Exercised during the period | Lapsed during the period | At 30 June 2002 | | | | | |
| Directors | | | | | | | | | |
| (continued) | | | | | | | | | |
| Yan Yong | 300,000 | — | — | 300,000 | 1 June 2000 | 2.508 | Note 4 | | |
| | 400,000 | (200,000) | — | 200,000 | 2 May 2001 | 0.928 | Note 2 | 2.300 | |
| | 700,000 | (200,000) | — | 500,000 | | | | | |
| Wong Toe Yeung | 3,000,000 | — | — | 3,000,000 | 3 December 1999 | 2.236 | Note 1 | | |
| | 300,000 | (150,000) | — | 150,000 | 2 May 2001 | 0.928 | Note 2 | 2.025 | |
| | 3,300,000 | (150,000) | — | 3,150,000 | | | | | |
| Other employees | 30,000 | — | — | 30,000 | 1 June 2000 | 2.508 | Note 4 | | |
| | 51,924,000 | (21,695,000) | (56,000) | 30,173,000 | 2 May 2001 | 0.928 | Note 2 | 1.873 | |
| | 10,000,000 | — | — | 10,000,000 | 28 May 2001 | 1.042 | Note 3 | | |
| | 21,000,000 | — | — | 21,000,000 | 30 August 2001 | 0.794 | Note 3 | | |
| | 53,235,000 | — | (25,000) | 53,210,000 | 29 October 2001 | 0.994 | Note 5 | | |
| | 136,189,000 | (21,695,000) | (81,000) | 114,413,000 | | | | | |
| | 186,889,000 | (24,295,000) | (81,000) | 162,513,000 | | | | | |

Note 1 The exercise period for such share options commences from the expiry of three years from the respective commencement date of services of each grantee with the Group, such dates range from 3 December 1999 to 1 December 2002, and ends on 14 May 2003.

Note 2 Half of such share options are exercisable after the expiry of 9 months from the date of grant, and the remaining half exercisable after the expiry of 18 months from the date of grant, up to 14 May 2003.

Note 3 Such options are exercisable at any time from the date of grant to 14 May 2003

Note 4 One-third of such share options are exercisable after the expiry of 9 months from the date of grant, a further one-third exercisable after the expiry of 18 months from the date of grant, and the remaining one-third exercisable after the expiry of 27 months from the date of grant, up to 14 May 2003.

Note 5 One-third of such share options are exercisable after the expiry of 9 months from the date of grant, a further one-third exercisable after the expiry of 18 months from the date of grant, and the remaining one-third exercisable after the expiry of 27 months from the date of grant, up to 28 April 2005.

The price of the Company's shares disclosed as at the date of the exercise of the share options is the weighted average of the Stock Exchange closing prices over all of the exercises of options within the disclosure category.

SUBSTANTIAL SHAREHOLDERS

At 30 June 2002, the following interests of 10% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 16(1) of the SDI Ordinance.

| Name | Number of shares held | Percentage |
|--|------------------------------|-------------------|
| T.C.L. Industries Holdings (H.K.) Ltd. | 1,424,605,289 | 56.19 |
| TCL Corporation | 1,424,605,289 | 56.19 |

Note: T.C.L. Industries Holdings (H.K.) Ltd. is a wholly-owned subsidiary of TCL Corporation. Therefore, the shares in which T.C.L. Industries Holdings (H.K.) Ltd. is shown to be interested are also the shares in which TCL Corporation are interested.

Save as disclosed above, no person had registered an interest in the share capital of the Company that was required to be recorded under Section 16(1) of the SDI Ordinance.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period under review.

CODE OF BEST PRACTICE

In the opinion of the directors, the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules of the Stock Exchange of Hong Kong Limited during the period.

On behalf of the Board
LI Dong Sheng, Tomson
Chairman

Hong Kong, 21 August 2002