

SHARE OPTION SCHEME

In an Extraordinary General Meeting of the Company held on 14 June 2002 the shareholders of the Company formally approved the termination of the share option scheme adopted on 30 December 1997 (the “Old Scheme”) and the adoption of a new share option scheme (the “New Scheme”), in compliance with the amended Chapter 17 of the Listing Rules. A summary of the principal terms of the New Scheme was sent to the shareholders of the Company in a circular dated 28 May 2002. All new options shall be granted under the terms and conditions of the New Scheme. No options have yet been granted under the New Scheme.

All outstanding options granted under the Old scheme shall remain valid and exercisable under the provisions of the granting scheme.

Details of the outstanding share options as at 30 June 2002 were as follows:

	Number of options outstanding at the beginning of the period	Number of options lapsed during the period	Number of options outstanding at the period end	Date granted	Price per share on exercise of options
Granted under the Old Scheme:					
Directors					
Cecilia IP Lai-ching (<i>note</i>)	4,300,000	4,300,000	—	11 October 1999	HK\$1.528
Employees	4,956,000	1,174,000	3,782,000	11 October 1999 to 18 September 2000	HK\$0.63 to HK\$1.90

Note: Ms Cecilia IP Lai-ching resigned as a director of the Company with effect from 31 December 2001. Pursuant to the terms of the Old Scheme, options held by Ms IP lapsed on 31 January 2002.

Share options under the Old Scheme are exercisable before 29 December 2007.