

Directors' Interests and Substantial Shareholders

DIRECTORS' INTERESTS

The Company has a share option scheme (the "Scheme") approved in an extraordinary general meeting on 22nd November 1997 under which the directors may, at their discretion, invite any employees or executive directors of the Group to take up options to subscribe for shares in the Company subject to the terms and conditions stipulated in the Scheme.

The details of share options granted to the directors and outstanding at 30th June 2002 as follows:

Directors	Number of share options		
	1st lot <i>(note 1)</i>	2nd lot <i>(note 2)</i>	Outstanding as at 30th June 2002
Mr. Wang Guang Hao	3,500,000	5,004,000	8,504,000
Mr. Yu Ru Min	2,000,000	—	2,000,000
Mr. Chen Zi He	2,000,000	4,332,000	6,332,000
Ms. Chen Cui Wan	2,000,000	4,332,000	6,332,000
Mr. He Xiu Heng	2,000,000	—	2,000,000
Mr. Yang Li Heng	2,000,000	—	2,000,000

Notes:

1. These share options were granted to the directors on 17th April 1998, and are exercisable at a price of HK\$6.136 per share during the period from 10th June 1998 to 21st November 2007.
2. These share options were granted to the directors on 13th April 1999, and are exercisable at a price of HK\$3.34 per share during the period from 18th September 1999 to 17th March 2004.

During the period under review, none of the directors had exercised any share options in the Company.

Directors' Interests and Substantial Shareholders

Save as disclosed above, none of the directors of the Company nor their spouses or children under 18 years of age had any interests in, or had been granted or exercised, any rights to subscribe for any securities of the Company, its subsidiaries, its fellow subsidiaries or its holding company during the period under review.

SUBSTANTIAL SHAREHOLDERS

As at 30th June 2002, the register of substantial shareholders maintained under Section 16(1) of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance") shows that the Company had been notified of the following interests, being 10% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the directors.

Name of shareholders	Number of shares
Tsinlien Group Company Limited (<i>Note 1</i>)	385,482,000
Tianjin Investment Holdings Limited	383,459,990
Tsinlien Property Services Limited	2,022,000
Wang Guang Hao (<i>Note 2</i>)	10

Notes:

1. Tianjin Investment Holdings Limited and Tsinlien Property Services Limited are wholly owned subsidiaries of Tsinlien Group Company Limited. In accordance with the SDI Ordinance, the interests of Tianjin Investment Holdings Limited and Tsinlien Property Services Limited are deemed to be, and have therefore been included in, the interests of Tsinlien Group Company Limited.
2. Mr. Wang Guang Hao acted as trustee of Tianjin Investment Holdings Limited to hold 10 shares of Tianjin Development Holdings Limited.