

## SHARE OPTION SCHEME

Under the share option scheme (the "Scheme") approved by the shareholders at a Special General Meeting of the Company held on 15 December 1992 ("Adoption Date"), the Directors may, at their discretion, invite any full time employees or Directors of the Company or any of its subsidiaries, as incentive to take up options to subscribe for shares which in aggregate, may not exceed 10% of the issued share capital of the Company from time to time.

As at 30 June 2002, the total number of shares available for issue under the Scheme are 42,519,000 shares, representing approximately 3.7% of the total issued share capital thereof.

No option shall be granted to any full time employee or Director of the Company or any of its subsidiaries if the number of shares the subject of such option when added to the number of shares which may be subscribed by him/her under any outstanding options granted to him/her and the number of shares already issue to him/her under options previously granted would exceed 25% of the maximum number of shares available for subscription under the terms of the Scheme at the relevant time.

An offer of the grant of an option shall be made to a full time employee or Director of the Company or any of its subsidiaries by letter in such form as the Director may from time to time determine requiring him/her to undertake to hold the option on the terms on which it is to be granted and to be bound by the provisions of the Scheme and shall remain open for acceptance by him/her for a period of 28 days from the date of offer.

The subscription price for the shares in respect of which options are granted shall be the higher of the nominal value or not more than 20% below the average closing price of the shares quoted on The Stock Exchange of Hong Kong ("Stock Exchange") for five trading days immediately preceding the date of grant of the option. The options granted may be exercised at any time during the period of not exceeding 10 years commencing on the date upon which the option is deemed to be granted and accepted and expiring on the last date of the period of 10 years commencing on the Adoption Date.

The life of the Scheme is 10 years commencing on the Adoption date and will end on 14 December 2002.

Details of share options outstanding as at 30 June 2002 which have been granted under the Scheme are as follows:

Name of directors	Date of grant	Exercise price HK\$	Number of share options		
			Held at 1.1.2002	Lapsed during the year	Held at 30.06.2002
Fung Ka Pun	17.3.1997	1.77	6,375,000	—	6,375,000
Choi Hon Hing (Note 1)	17.3.1997	1.77	1,500,000	—	1,500,000
	23.4.1998	0.80	2,000,000	—	2,000,000 (Note 2)
	29.4.2000	0.79	4,000,000	—	4,000,000 (Note 3)
Continuous Contract Employees	17.3.1997	1.77	1,724,000	—	1,724,000
	23.4.1998	0.80	2,000,000	(2,000,000)	—
	6.3.2000	1.20	3,050,000	(1,500,000)	1,550,000 (Note 4)
	29.4.2000	0.79	9,000,000	(4,000,000)	5,000,000 (Note 6)
	3.6.2000	0.79	2,120,000	—	2,120,000 (Note 8)
Others	15.8.2000	0.79	6,500,000	(6,500,000)	—
	1.8.1997	2.68	750,000	(750,000)	—
	6.3.2000	1.20	750,000	—	750,000 (Note 4)
	13.4.2000	1.03	4,000,000	—	4,000,000 (Note 5)
	29.4.2000	0.79	7,000,000	—	7,000,000 (Note 7)
	6.5.2000	0.85	—	—	—
	3.6.2000	0.79	2,000,000	(2,000,000)	—
	15.8.2000	0.79	250,000	(250,000)	—
1.9.2000	0.79	6,500,000	—	6,500,000 (Note 9)	
			59,519,000	(17,000,000)	42,519,000

Subject to certain conditions of the Scheme, the outstanding options can be exercised at any time up to 14 December 2002 subject to the following notes 2-9.

Notes:

1. Madam Choi Hon Hing is the spouse of Mr. Fung Ka Pun and is also a director of Crebox Limited ("Crebox"), an indirect wholly-owned subsidiary of the Company.
2. Share options granted shall be exercisable only in accordance with the following terms:
  - (i) up to a maximum of 30% of the share options granted shall be exercisable on or after 1 April 1999;
  - (ii) up to a maximum of 60% of the share options granted shall be exercisable on or after 1 April 2000; and
  - (iii) the full amount of the share options granted shall be exercisable on or after 1 April 2001.

3. Share options granted shall be exercisable only in accordance with the following terms:
  - (i) up to a maximum of 660,000 of the share options granted shall be exercisable after 16 October 2000;
  - (ii) up to a maximum of 1,320,000 of the share options granted shall be exercisable after 16 April 2001;
  - (iii) up to a maximum of 1,980,000 of the share options granted shall be exercisable after 16 October 2001;
  - (iv) up to a maximum of 2,640,000 of the share options granted shall be exercisable after 16 April 2002;
  - (v) up to a maximum of 3,330,000 of the share options granted shall be exercisable after 16 October 2002; and
  - (vi) the full amount of the share options granted shall be exercisable after 6 December 2002.
4. Options granted shall be exercisable only in accordance with the following terms:
  - (i) up to a maximum of 30% of the options granted shall be exercisable on or after 1 February 2001; and
  - (ii) the full amount of the options granted shall be exercisable on or after 1 February 2002.
5. Options granted shall be exercisable only in accordance with the following terms:
  - (i) up to a maximum of 660,000 of the options granted shall be exercisable after 16 October 2000;
  - (ii) up to a maximum of 660,000 of the options granted plus the balance on 16 October 2000 shall be exercisable after 16 April 2001;
  - (iii) up to a maximum of 660,000 of the options granted plus the balance on 16 April 2001 shall be exercisable after 16 October 2001;
  - (iv) up to a maximum of 660,000 of the options granted plus the balance on 16 October 2001 shall be exercisable after 16 April 2002;
  - (v) up to a maximum of 660,000 of the options granted plus the balance on 16 April 2002 shall be exercisable after 16 October 2002; and
  - (vi) up to a maximum of 700,000 of the options granted plus the balance on 16 October 2002 shall be exercisable after 6 December 2002.

6. Options granted shall be exercisable only in accordance with the following terms:
  - (i) up to a maximum of 1,484,000 of the options granted shall be exercisable after 16 October 2000;
  - (ii) up to a maximum of 2,968,000 of the options granted shall be exercisable after 16 April 2001;
  - (iii) up to a maximum of 4,452,000 of the options granted shall be exercisable after 16 October 2001;
  - (iv) up to a maximum of 5,936,000 of the options granted shall be exercisable after 16 April 2002;
  - (v) up to a maximum of 7,420,000 of the options granted shall be exercisable after 16 October 2002; and
  - (vi) the full amount of the options granted shall be exercisable after 6 December 2002.
  
7. Options granted shall be exercisable only in accordance with the following terms:
  - (i) up to a maximum of 1,154,000 of the options granted shall be exercisable after 16 October 2000;
  - (ii) up to a maximum of 2,308,000 of the options granted shall be exercisable after 16 April 2001;
  - (iii) up to a maximum of 3,462,000 of the options granted shall be exercisable after 16 October 2001;
  - (iv) up to a maximum of 4,616,000 of the options granted shall be exercisable after 16 April 2002;
  - (v) up to a maximum of 5,770,000 of the options granted shall be exercisable after 16 October 2002; and
  - (vi) the full amount of the options granted shall be exercisable after 6 December 2002.
  
8. Options granted shall be exercisable only in accordance with the following terms:
  - (i) up to a maximum of 344,000 of the options granted shall be exercisable after 30 November 2000;
  - (ii) up to a maximum of 688,000 of the options granted shall be exercisable after 30 May 2001;
  - (iii) up to a maximum of 1,032,000 of the options granted shall be exercisable after 30 November 2001;
  - (iv) up to a maximum of 1,376,000 of the options granted shall be exercisable after 30 May 2002;
  - (v) up to a maximum of 1,720,000 of the options granted shall be exercisable after 30 November 2002; and
  - (vi) the full amount of the options granted shall be exercisable after 6 December 2002.
  
9. Options granted shall be exercisable only in accordance with the following terms:
  - (i) up to a maximum of 1,100,000 of the options granted shall be exercisable after 1 March 2001;
  - (ii) up to a maximum of 2,200,000 of the options granted shall be exercisable after 1 September 2001;
  - (iii) up to a maximum of 3,300,000 of the options granted shall be exercisable after 1 March 2002;
  - (iv) up to a maximum of 4,400,000 of the options granted shall be exercisable after 1 September 2002; and
  - (v) the full amount of the options granted shall be exercisable after 6 December 2002.

Other than as disclosed above, at no time during the period was the Company or any of its Associated Corporations a party to any arrangement 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 none of the Directors or their spouses or children under 18 years of age was granted any right to subscribe for any shares in, or debentures of, the Company or any of its Associated Corporations.