

DIRECTORS' INTERESTS IN SHARES

As at 30th September, 2002, the directors of the Company had the following beneficial interests in the shares of HK\$0.01 each in the capital of the Company within the meaning of the Securities (Disclosure of Interests) Ordinance ("the SDI Ordinance"), as recorded in the Register of Directors' Interests required to be kept by the Company pursuant to Section 29 of the SDI Ordinance:

The Company

	Number of shares		Total
	Family interest	Corporate interest	
Mr. Lam Sai Wing (Note a)	–	1,674,067,500	1,674,067,500
Ms. Chan Yam Fai, Jane (Note b)	1,674,067,500 (Note c)	–	1,674,067,500
Mr. Wong Kwong Chi (Note d)	–	688,432,500	688,432,500

Note a Mr. Lam Sai Wing ("Mr. Lam") through Good Day Holdings Limited and a nominee is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of S.W. Lam, Inc. ("SWL"), SWL is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of Quality Prince Limited ("QPL"), QPL holds shares in the Company. Accordingly, Mr. Lam is deemed to be interested in all shares in the Company held by QPL.

Note b Ms. Chan Yam Fai, Jane is the wife of Mr. Lam.

Note c The shares referred to herein related to the same parcel of shares referred to in Note a.

Note d Phenomenal Limited holds 688,432,500 shares in the Company and Mr. Wong Kwong Chi is a director of Phenomenal Limited.

Associated corporations

	Name of corporation	Personal interest	Total
Mr. Lam Sai Wing	Hang Fung Jewellery Company Limited	1 Class A (non-voting) ordinary (<i>Note e</i>)	1
	Kai Hang Jewellery Company Limited	8,000 Class A (non-voting) ordinary (<i>Note e</i>)	8,000
Ms. Chan Yam Fai, Jane	Hang Fung Jewellery Company Limited	1 Class A (non-voting) ordinary (<i>Note e</i>)	1
	Kai Hang Jewellery Company Limited	2,000 Class A (non-voting) ordinary (<i>Note e</i>)	2,000

Note e Class A (non-voting) ordinary shares have no voting rights, are not entitled to dividends unless dividends paid to holders of Class B (voting) ordinary shares exceed HK\$900,000,000,000 in each financial year, and are not entitled to distribution of the companies' assets unless each Class B (voting) ordinary shareholder has been returned its paid up capital together with a premium of HK\$900,000,000,000. The Class B (voting) ordinary shares have voting rights and are entitled to dividends and distribution of the companies' assets.

Save as disclosed above, none of the directors or their associates had any beneficial interests in the share capital of the Company and its associated corporations as defined in the SDI Ordinance.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

As disclosed in note 9 above, the Company has share option schemes, under which options may be granted to employees of the Group (including executive directors of the Company) to subscribe for shares in the Company. As at 30th September, 2002, no option has been granted to the Company's directors under the share option schemes.

Save as disclosed above, at no time during the period was the Company or any of its subsidiaries or holding companies a party to any arrangements to enable any of the Company's directors or members of its management to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate.