

SHARE OPTION SCHEME

Pursuant to the recent changes of the Listing Rules in relation to share option schemes, on 5 September, 2002, the Company adopted a new share option scheme (the "New Scheme") and terminated the share option scheme adopted on 27 December, 1996 (the "Old Scheme"). Upon termination of the Old Scheme, no further share options will be granted thereunder but all outstanding share options granted under the Old Scheme will not be affected by the New Scheme. As at 30 September, 2002, the number of shares in respect of which share options had been granted and outstanding under the Old Scheme was 18,000,000. No share options were granted under the New Scheme since its adoption on 5 September, 2002.

The following share options were outstanding under the Old Scheme during the six months ended 30 September, 2002:

Name or category of participant	Number of share options				Date of grant of share options	Exercise period of share options	Adjusted exercise price of share options * HK\$	Price of Company's shares**	
	As at 1 April, 2002	Cancelled during the period	Lapsed during the period	As at 30 September, 2002				At grant date of options HK\$	At exercise date of options HK\$
Directors									
Lui Chi	1,250,000	-	-	1,250,000	30 October, 1997	30 October, 1997 to 26 December, 2006	0.3507	0.5300	N/A
	1,875,000	-	-	1,875,000	31 December, 1999	31 December, 1999 to 26 December, 2006	0.2240	0.2900	N/A
	3,125,000	-	-	3,125,000					
Lui Shing Ming, Brian	1,250,000	-	-	1,250,000	30 October, 1997	30 October, 1997 to 26 December, 2006	0.3507	0.5300	N/A
	3,125,000	-	-	3,125,000	31 December, 1999	31 December, 1999 to 26 December, 2006	0.2240	0.2900	N/A
	4,375,000	-	-	4,375,000					
Lui Shing Chung, Victor	1,875,000	-	-	1,875,000	31 December, 1999	31 December, 1999 to 26 December, 2006	0.2240	0.2900	N/A
Brad Huang	7,500,000	-	-	7,500,000	6 March, 2000	23 September, 2000 to 26 December, 2006	2.7744	5.6000	N/A

SHARE OPTION SCHEME (Continued)

Name or category of participant	Number of share options						Adjusted exercise price of share options * HK\$	Price of Company's shares**	
	As at 1 April, 2002	Cancelled during the period	Lapsed during the period	As at 30 September, 2002	Date of grant of share options	Exercise period of share options		At grant date of options HK\$	At exercise date of options HK\$
Other employees									
In aggregate	625,000	-	-	625,000	31 December, 1999	31 December, 1999 to 26 December, 2006	0.2240	0.2900	N/A
	250,000	-	-	250,000	8 July, 2000	8 January, 2001 to 26 December, 2006	1.0960	1.6500	N/A
	250,000	-	-	250,000	5 September, 2000	5 September, 2001 to 26 December, 2006	1.4048	2.2000	N/A
	1,125,000	-	-	1,125,000					
	18,000,000	-	-	18,000,000					

Notes:

(1) The share options to subscribe for 625,000 ordinary shares at HK\$0.2240 per share in the Company that were granted to the spouse of Mr. Lui Shing Chung, Victor have been included in the "Other employees" category above and remained outstanding as at 30 September, 2002.

* The exercise price is subject to adjustment in the case of any future rights or bonus issues, or other similar changes in the Company's share capital.

** The price of the Company's shares disclosed as at the date of the grant of the share options is the Stock Exchange's closing price of the Company as at the date of the grant of the share options.

The financial impact of share options granted is not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recorded in the profit and loss account or balance sheet for their cost. Upon the exercise of the share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Share options which are cancelled prior to their exercise date are deleted from the register of outstanding share options.