

SHARE OPTIONS

Pursuant to the terms of the share option scheme adopted by the Company on 17 February 1998 (the "Existing Scheme"), the directors of the Company were authorised, at their discretion to invite any employee, including any executive director of the Company or any of its subsidiaries, to take up options to subscribe for shares of the Company. The subscription price of the Existing Scheme is the higher of 80% of the average of the closing price of the shares on the Stock Exchange for the five trading days immediately preceding the date of the offer of the option or the nominal value of the shares. The maximum number of shares in respect of which options may be granted under the Existing Scheme may not exceed, in nominal amount, 10% of the issued shares of the Company from time to time which have been duly allotted and issued.

As at 31 March 2002, the Company had 13,700,000 share options outstanding, which were granted to certain employees of the Group, at the exercise price of HK\$0.046 each under the Existing Scheme. All these outstanding share options were subsequently cancelled during the period under review. Therefore, as at the balance sheet date, the Company did not have any options outstanding.

Subsequent to the balance sheet date, to comply with the amendments to Chapter 17 of the Listing Rules, which became effective on 1 September 2001, the directors of the Company proposed to terminate the Existing Scheme and to adopt a new share option scheme as detailed in the circular issued to the shareholders on 4 December 2002. The adoption of the new share option scheme shall be subject to the approval of the shareholders in the general meeting to be held on 30 December 2002.

購股權

根據本公司於一九九八年二月十七日採納之購股權計劃（「現有計劃」）之條款，本公司董事獲授權全權酌情邀請任何僱員（包括本公司或其任附屬公司之任何執行董事）接納可認購本公司股份之購股權。現有計劃之認購價為下列兩者之較高者：緊接購股權授出日期前五個交易日股份於聯交所之平均收市價之80%或股份面值。此外，根據現有計劃授出之購股權所涉及之最高股份數目，不得超過本公司不時正式配發及發行之已發行股份面值10%。

於二零零二年三月三十一日，根據現有計劃，本公司向本集團若干僱員授出每股行使價為0.046港元之13,700,000份購股權尚未行使。所有此等尚未行使之購股權已於回顧期間內註銷。因此，於結算日，本公司並無任何尚未行使之購股權。

於結算日後，為符合經修訂並於二零零一年九月一日生效之上市規則第十七章之規定，本公司之董事建議終止現有計劃，並採納另一新購股權計劃，詳情已載於二零零二年十二月四日寄發予各股東之通函。採納此一新購股權計劃須待股東於二零零二年十二月三十日舉行之股東大會上批准。