

OTHER INFORMATION

INTERIM DIVIDEND

The Directors declared an interim dividend of HK\$0.20 (2001: Nil) per share for the six months ended 31 December 2002 to shareholders whose names appear in the Register of Members of the Company on 31 March 2003. It is expected that the dividend warrants will be despatched to shareholders on or before 11 April 2003.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Thursday, 27 March 2003 to Monday, 31 March 2003 (both days inclusive) during which period no transfer of shares will be registered. In order to qualify for the aforesaid interim dividend, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716 Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:00 p.m. on Wednesday, 26 March 2003.

SHARE OPTION SCHEME

A new share option scheme has been adopted by the Company on 15 November 2002 (the "New Share Option Scheme") to replace the share option scheme which had been adopted on 17 October 1996 (the "Old Share Option Scheme") to comply with the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The Company may grant options to the participants to subscribe for shares of the Company pursuant to the terms as set out in the New Share Option Scheme. A summary of the terms of the New Share Option Scheme was contained in a circular to the shareholders dated 21 October 2002. At 31 December 2002, no options had been granted under the New Share Option Scheme.



The Old Share Option Scheme was terminated by the Company on 15 November 2002. Upon termination of the Old Share Option Scheme, no further options could be granted thereunder but in all other respects, the provisions of the Old Share Option Scheme shall remain in force and all options granted prior to termination shall continue to be valid and exercisable in accordance therewith. At 31 December 2002, the following options granted to the employees and the Directors of the Company or its subsidiaries under the Old Share Option Scheme were outstanding:

Date of grant	Exercise price HK\$	Exercise period	Outstanding at 1 July 2002	Granted during the period	Exercised during the period	Cancelled during the period	Lapsed during the period	Outstanding at 31 December 2002
3 December 1996	16.10	1 January 1997 to 31 December 2003	53,000	—	—	—	—	53,000
14 April 1998	20.60	14 April 1999 to 13 April 2005	812,500	—	—	—	97,750	714,750
17 November 1999	27.70	17 November 2000 to 16 November 2007	1,609,500	—	—	—	116,000	1,493,500
22 March 2000	25.50	22 March 2001 to 21 March 2007	100,000	—	—	—	—	100,000
13 July 2001	9.20	13 July 2002 to 12 July 2008	100,000	—	—	—	100,000	—
17 July 2001	9.29	17 July 2002 to 16 July 2011	5,000,000	—	—	—	—	5,000,000
19 March 2002	8.97	19 March 2003 to 18 March 2009	100,000	—	—	—	—	100,000
2 May 2002	9.20	2 May 2003 to 1 May 2012	200,000	—	—	—	—	200,000

Save as disclosed above, no share options were granted, exercised, cancelled or lapsed during the period.

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DIRECTORS' INTERESTS

At 31 December 2002, the interests of the Directors and chief executive in the shares of the Company as recorded in the register maintained under section 29 of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance") or otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

1 Ordinary shares

Name of director	Personal interests	Family interests	Corporate interests	Other interests	Total
Raymond Kwok Ping-luen	698,767	Nil	Nil	Nil	698,767

2 Rights to subscribe for ordinary shares under Old Share Option Scheme

Name of directors	Note	Outstanding at 1 July 2002	Granted during the period	Exercised during the period	Outstanding at 31 December 2002
Douglas Li	1	5,000,000	Nil	Nil	5,000,000
Patrick Chan Kai-lung	2	200,000	Nil	Nil	200,000

Notes:

- 1 The options are exercisable at HK\$9.29 per share during the period from 17 July 2002 to 16 July 2011. 20 per cent. of the options are exercisable on each of the first, second, third, fourth and fifth anniversaries of the date of grant of the option.
- 2 The options are exercisable at HK\$9.20 per share during the period from 2 May 2003 to 1 May 2012. One-third of the options are exercisable on each of the first, second and third anniversaries of the date of grant of the option.

Save as disclosed above, at 31 December 2002, none of the Directors and chief executive (including their spouses and children under 18 years of age) and their respective associates had any other personal, family, corporate or other interests in the shares of the Company, its subsidiaries or any of its associated corporations as defined in the SDI Ordinance nor any right to subscribe for the shares of the Company, its subsidiaries or any of its associated corporations.



SUBSTANTIAL SHAREHOLDERS

At 31 December 2002, the following parties (other than the Directors and chief executive of the Company) had an interest of 10 per cent. or more of the issued share capital of the Company as recorded in the register required to be kept under section 16(1) of the SDI Ordinance or as notified to the Company:

Name of shareholders	Note	Number of shares	Percentage
Cellular 8 Holdings Limited ("Cellular 8")	1 and 2	159,053,465	27.22
Sun Hung Kai Properties Limited ("SHKP")	1 and 2	171,539,077	29.36
HSBC Holdings Plc.	3	173,612,849	29.71
BT (International) Holdings Limited	4	121,280,526	20.76
BT Holdings Limited	4	121,280,526	20.76
British Telecommunications Plc.	4	121,280,526	20.76

Notes:

- 1 For the purposes of the SDI Ordinance, the interest of Cellular 8 in the 159,053,465 shares of the Company noted above against the name of Cellular 8 is also attributed to SHKP on the basis that SHKP controls one-third or more of Cellular 8. The number of shares noted above against the name of SHKP therefore duplicates the interest of Cellular 8.
- 2 For the purposes of the SDI Ordinance, the same interest of Cellular 8 is also attributed to those subsidiaries of SHKP through which SHKP holds its interest in Cellular 8. These subsidiaries are TFS Development Company Limited and Fourseas Investments Limited.
- 3 The Directors understand that, for the purposes of the SDI Ordinance, the interest of SHKP in the 171,539,077 shares noted above against its name (and the interest of each of its subsidiaries referred to in note (2) above in the same 171,539,077 shares) will also be attributed to certain subsidiaries of HSBC Holdings Plc. and to HSBC Holdings Plc. by reference to interests which these companies hold (or are deemed to hold) shares of SHKP. The number of shares noted above against the name of HSBC Holdings Plc. (and all such interests of any subsidiaries of HSBC Holdings Plc.) therefore duplicates the interest of SHKP in each case.
- 4 For the purposes of the SDI Ordinance, the interest of BT (International) Holdings Limited in the 121,280,526 shares noted above is also attributed to BT Holdings Limited and British Telecommunications Plc. on the bases that BT Holdings Limited controls one-third or more of BT (International) Holdings Limited and in turn, British Telecommunications Plc. controls one-third or more of BT Holdings Limited. The number of shares noted above against the name of each of BT Holdings Limited and British Telecommunications Plc. therefore duplicates the interest of BT (International) Holdings Limited in such shares.

Save as disclosed above, no other parties had registered as having an interest of 10 per cent. or more of the issued share capital of the Company as recorded in the register kept under Section 16(1) of the SDI Ordinance.

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PURCHASE, SALE OR REDEMPTION OF SHARES

During the six months ended 31 December 2002, the Company repurchased 1,821,500 shares on The Stock Exchange of Hong Kong Limited. These repurchased shares were subsequently cancelled. Please refer to note 14a of the Notes to condensed consolidated financial statements for details of the repurchases.

The aggregate price of the repurchased shares (before expenses) was HK\$14,452,100 of which HK\$14,269,950 was charged against the share premium. A sum equivalent to the nominal value of the repurchased shares amounting to HK\$182,150 was transferred from retained profits to capital redemption reserve.

Save as disclosed above, at no time during the six months period ended 31 December 2002 was there any purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's shares.

AUDIT COMMITTEE

The Audit Committee of the Company has reviewed the relevant interim financial statements and report of the Group and was content that the accounting policies of the Group are in accordance with the current best practice in Hong Kong. The Committee found no unusual items that were omitted from the financial statements and was satisfied with the disclosures of data and explanations shown in the financial statements.

The interim financial statements for the six months ended 31 December 2002 have not been audited but have been reviewed by the Company's external auditors.

CODE OF BEST PRACTICE

None of the Directors is aware of any information that would reasonably indicate that the Company is not or was not in compliance with the Code of Best Practice as set out in Appendix 14 of the Listing Rules for any part of the accounting period covered by the interim report, except that the non-executive Directors of the Company are not appointed for specific terms. However, the non-executive Directors are subject to retirement by rotation and re-election at the annual general meeting in accordance with the Company's bye-laws.

The financial information disclosed above complies with Appendix 16 of the Listing Rules and has been reviewed by the Audit Committee and the auditors before being put forward to the Directors for approval.

By order of the Board

Maria Li

Company Secretary

Hong Kong, 11 March 2003