

DIRECTORS' INTERESTS IN SECURITIES**Directors' Interests and Short Positions in the securities of the company and its associated corporations**

As at 30 June 2003, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) (a) which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"), were as follows:

I. Shares(i) *The Company*

Name of Director	Type of interest	Number of shares held	Long/Short Position	Approximate Percentage of holding
Ho Lam Lai Ping, Theresa	Personal	180,000	Long Position	0.0144
Fung Sing Hong, Stephen	Personal	24,000	Long Position	0.0019

Note: The issued shares of the Company as at 30 June 2003 was 1,250,400,000.

(ii) *Guangdong Investment Limited*

Name of Director	Type of Interest	Number of ordinary shares held	Long/Short Position	Approximate Percentage of holding
Ye Xuquan	Personal	1,672,000	Long Position	0.0320
Wang Man Kwan, Paul	Personal	700,000	Long Position	0.0134
Ho Lam Lai Ping, Theresa	Personal	300,000	Long Position	0.0057

Note: The issued ordinary shares of Guangdong Investment Limited as at 30 June 2003 was 5,218,682,672.

(iii) *Guangdong Tannery Limited*

Name of Director	Type of Interest	Number of shares held	Long/Short Position	Approximate Percentage of holding
Fung Sing Hong, Stephen	Personal	226,000	Long Position	0.0431

Note: The issued shares of Guangdong Tannery Limited as at 30 June 2003 was 524,154,000.

DIRECTORS' INTERESTS IN SECURITIES (Cont'd)**Directors' Interests and Short Positions in the securities of the company and its associated corporations** (Cont'd)**I. Shares** (Cont'd)(iv) *Guangnan (Holdings) Limited*

Name of Director	Type of Interest	Number of shares held	Long/Short Position	Approximate Percentage of holding
Fung Sing Hong, Stephen	Personal	500,000	Long Position	0.0056

Note: The issued shares of Guangnan (Holdings) Limited as at 30 June 2003 was 8,998,332,859.

II. Options(i) *The Company*

Name of Director	Number of options held on 01/01/2003	Option granted Jan-Jun 2003		Period during which option is exercisable*	Total consideration paid for share options HK\$	Price to be paid per share on exercise of options HK\$	Number of options exercised Jan-Jun 2003	Number of options held on 30/6/2003	
		Date granted	Number granted					held on 30/6/2003	Long/Short Position
Ye Xuquan	—	26/05/2003	2,000,000	27/08/2003–26/08/2008	1	0.84	—	2,000,000	Long Position
Jiang Guoqiang	10,000,000	—	—	11/04/2002–10/04/2007	—	0.383	—	10,000,000	Long Position
	—	26/05/2003	2,000,000	27/08/2003–26/08/2008	1	0.84	—	2,000,000	Long Position
Cheng Mo Chi, Moses	—	26/05/2003	300,000	27/08/2003–26/08/2008	1	0.84	—	300,000	Long Position
Alan Howard Smith	—	26/05/2003	300,000	27/08/2003–26/08/2008	1	0.84	—	300,000	Long Position
V-nee Yeh	—	26/05/2003	300,000	27/08/2003–26/08/2008	1	0.84	—	300,000	Long Position
Fung Sing Hong, Stephen	—	26/05/2003	400,000	27/08/2003–26/08/2008	1	0.84	—	400,000	Long Position

* If the last day of the option period is not a business day in Hong Kong, the option period expires at 5:01 p.m. on the business day preceding that day (Hong Kong time).

DIRECTORS' INTERESTS IN SECURITIES (Cont'd)

Directors' Interests and Short Positions in the securities of the company and its associated corporations (Cont'd)

II. Options (Cont'd)

(ii) *Guangdong Investment Limited*

Name of Director	Number of options held on 01/01/2003	Option granted Jan-Jun 2003		Period during which option is exercisable*	Total consideration paid for share options HK\$	Price per ordinary share to be paid on exercise of option HK\$	Number of options exercised Jan-Jun 2003	Number of options held on 30/6/2003	Long/Short Position
		Date granted	Number granted						
Ye Xuquan	12,000,000	—	—	11/02/2002–10/02/2007	—	0.5312	5,000,000	7,000,000	Long Position
	9,000,000	—	—	08/11/2002–07/11/2007	—	0.814	—	9,000,000	Long Position
	6,000,000	—	—	05/03/2003–04/03/2008	1	0.96	—	6,000,000	Long Position
Cheng Mo Chi, Moses	—	07/05/2003	3,000,000	08/08/2003–07/08/2008	1	1.22	—	3,000,000	Long Position
	1,000,000	—	—	02/05/2002–01/05/2007	—	0.74	—	1,000,000	Long Position
	1,000,000	—	—	08/11/2002–07/11/2007	—	0.814	—	1,000,000	Long Position
Li Wai Keung	1,000,000	—	—	05/03/2003–04/03/2008	1	0.96	—	1,000,000	Long Position
	—	07/05/2003	1,000,000	08/08/2003–07/08/2008	1	1.22	—	1,000,000	Long Position
	1,500,000	—	—	02/05/2002–01/05/2007	—	0.74	800,000	700,000	Long Position
Zhang Yaping	1,500,000	—	—	08/11/2002–07/11/2007	—	0.814	—	1,500,000	Long Position
	1,500,000	—	—	05/03/2003–04/03/2008	1	0.96	—	1,500,000	Long Position
	—	07/05/2003	1,500,000	08/08/2003–07/08/2008	1	1.22	—	1,500,000	Long Position
Wang Man Kwan, Paul	12,000,000	—	—	11/02/2002–10/02/2007	—	0.5312	—	12,000,000	Long Position
	9,000,000	—	—	08/11/2002–07/11/2007	—	0.814	—	9,000,000	Long Position
	6,000,000	—	—	05/03/2003–04/03/2008	1	0.96	—	6,000,000	Long Position
Ho Lam Lai Ping, Theresa	—	07/05/2003	1,000,000	08/08/2003–07/08/2008	1	1.22	—	1,000,000	Long Position
	1,000,000	—	—	11/02/2002–10/02/2007	—	0.5312	1,000,000	—	Long Position
	1,500,000	—	—	08/11/2002–07/11/2007	—	0.814	—	1,500,000	Long Position
Fung Sing Hong, Stephen	1,500,000	—	—	05/03/2003–04/03/2008	1	0.96	—	1,500,000	Long Position
	—	07/05/2003	1,500,000	08/08/2003–07/08/2008	1	1.22	—	1,500,000	Long Position
	500,000	—	—	19/08/1998–18/08/2003	—	2.892	—	500,000	Long Position
Fung Sing Hong, Stephen	1,200,000	—	—	11/02/2002–10/02/2007	—	0.5312	900,000	300,000	Long Position
	1,200,000	—	—	08/11/2002–07/11/2007	—	0.814	—	1,200,000	Long Position
	1,200,000	—	—	05/03/2003–04/03/2008	1	0.96	—	1,200,000	Long Position
Fung Sing Hong, Stephen	—	07/05/2003	1,500,000	08/08/2003–07/08/2008	1	1.22	—	1,500,000	Long Position
	400,000	—	—	05/03/2003–04/03/2008	1	0.96	—	400,000	Long Position

* If the last day of the option period is not a business day in Hong Kong, the option period expires at 5:01 p.m. on the business day preceding that day (Hong Kong time).

DIRECTORS' INTERESTS IN SECURITIES *(Cont'd)*

Directors' Interests and Short Positions in the securities of the company and its associated corporations *(Cont'd)*

Save as disclosed above, as at 30 June 2003, to the knowledge of the Company, none of the directors, chief executives of the Company and their associates had or was deemed to have any interests and short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (a) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed above, at no time during the period was the Company, its holding companies or any of its subsidiaries or associated corporation a party to any arrangements to enable the Directors of the Company or their spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30 June 2003, so far as is known to any director or chief executive of the Company, the following persons (other than director or chief executive of the Company) have interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO were as follows:

Name of shareholders	Type of securities	Number of securities held	Long/short position	Approximate percentage of issued capital
廣東粵港投資控股有限公司 (Guangdong Yue Gang Investment Holdings Company Limited)	shares	900,000,000	Long position	71.98%
GDH Limited ("GDH")	shares	900,000,000	Long position	71.98%

Notes: The attributable interest which 廣東粵港投資控股有限公司 (Guangdong Yue Gang Investment Holdings Company Limited) has in the Company is held through its wholly owned subsidiary, GDH.

Save as disclosed above, no other person (other than director or chief executive of the Company) known to any director or chief executive of the Company as at 30 June 2003 had interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.