

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES

As at 30th June, 2003, the interests of the directors and chief executives of the Company in the shares, underlying shares of equity derivatives and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")) which were required to be notified to the Company and the Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to Division 7 and 8 of Part XV of the SFO, or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or 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 were as follows:

Long position in shares

Name of director	Number of shares	Percentage of holding
Mr. Thomas Wu Chen San	(Note 1)	
Mr. Michael Wu Jenn Chang	(Note 1)	
	8,000,000 ordinary shares of the Company	1.10%
	1,000 ordinary shares of Topstair International (Taiwan) Ltd.	0.02%
	1,000 ordinary shares of Topstair International (Taiwan) Ltd. (Note 2)	0.02%
Mr. Jackson Wu Jenn Tzong	(Note 1)	
	1,000,000 ordinary shares of the Company	0.14%
	1,000 ordinary shares of Topstair International (Taiwan) Ltd.	0.02%
	1,000 ordinary shares of Topstair International (Taiwan) Ltd. (Note 2)	0.02%
Mr. Arthur Yang Chih Chieh	(Note 1)	
	7,193,970 ordinary shares of the Company (Note 3)	0.99%

Note 1: Mr. Thomas Wu Chen San and his wife, Mrs. Peggy Wu, jointly hold 3,235 shares (16% of the issued share capital); each of Mr. Michael Wu Jenn Chang and Mr. Jackson Wu Jenn Tzong through a company (the entire issued share capital of which is owned by them respectively) holds 6,470 shares (32% of the issued share capital); and Mr. Arthur Yang Chih Chieh and his wife jointly through a company (the entire issued share capital of which is owned by them jointly) hold 474 shares (2% of the issued share capital), of Pegasus Footgear Management Limited which is a substantial shareholder of the Company.

Note 2: Each of Mr. Michael Wu Jenn Chang and Mr. Jackson Wu Jenn Tzong is deemed under the SFO to have an interest in the said issued capital of Topstair International (Taiwan) Ltd., a subsidiary of the Company, held by their respective wives.

Note 3: Mr. Arthur Yang Chih Chieh is deemed under the SFO to have an interest in the above shares held by his wife.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES (Continued)

As at 30th June, 2003, none of the directors and chief executives of the Company were interested or deemed to be interested in short positions in the shares, underlying shares of equity derivatives and debentures of the Company or any associated corporation.

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

Under the Company's share option scheme, certain directors of the Company have personal interests in share options to subscribe for shares in the Company which have been granted to them as follows:

Name of directors	Date of grant	Exercise price per share HK\$	Number of share options outstanding			
			Outstanding at 1.1.2003	Exercised during the period	Lapsed during the period	Outstanding at 30.6.2003
Mr. Thomas Wu Chen San	23rd April, 1999	0.60	8,000,000	3,000,000	5,000,000	-
Mr. Michael Wu Jenn Chang	23rd April, 1999	0.60	5,000,000	5,000,000	-	-
Mr. Jackson Wu Jenn Tzong	23rd April, 1999	0.60	1,000,000	1,000,000	-	-
Mr. Arthur Yang Chih Chieh	23rd April, 1999	0.60	100,000	-	100,000	-
Mr. Steven Ho Chin Fa	23rd April, 1999	0.60	200,000	200,000	-	-
			<u>14,300,000</u>	<u>9,200,000</u>	<u>5,100,000</u>	<u>-</u>

The options can be exercised at any time for a period of three years commencing on the first anniversary of the date of grant.

Other than the share option scheme disclosed above, at no time during the period was the Company, its holding company, fellow subsidiaries, or subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate. None of the directors or their spouses or children under the age of 18 had any right to subscribe for the shares in the Company or had exercised any such right during the period.