

Notes :

1. These shares are held by the respective directors as beneficial owner.
2. These 71,515,000 shares were owned by Crimson International Limited. Tan Sim Chew and Chen Miao Zhu were beneficial shareholders of 60% and 40% respectively of the issued share capital of Crimson International Limited. Accordingly, each of Tan Sim Chew and Chen Miao Zhu was deemed to be interested in these 71,515,000 shares owned by Crimson International Limited.

(b) Long positions in underlying shares of equity derivatives of the Company

Share options were granted to certain directors of the Company pursuant to the share option scheme of the Company. Details of the interests of the directors in share options granted by the Company are set out under the section “Share Option Scheme” of this report.

Save as disclosed above, as at 31 December 2003, none of the directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation which have been recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or any interests which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEME

A share option scheme for employees was approved on 5 May 1997 (“Share Option Scheme”) and the directors may, at their discretion, invite any employees or directors of the Group, to take up options to subscribe for shares of the Company. The Share Option Scheme remains in force for a period of 10 years commencing on 5 May 1997.

As at 31 December 2003, the following persons, being the directors and a senior executive, had the following personal interests in options to subscribe for shares of the Company which were granted at nominal consideration. Each share option entitles the holder to subscribe for one share of HK\$0.01 each in the Company.



Directors	Number of options outstanding at 1 July 2002	Date granted	Period during which options exercisable	Subscription price per share HK\$	Lapsed during the period	Number of options outstanding at 31 December 2003	Percentage of total shares issued at 31 December 2003
Tan Sim Chew	6,611,000	23 February 2000	24 August 2000 to 23 August 2003	0.4496	6,611,000	–	–
	2,700,000	31 January 2001	1 August 2001 to 31 July 2004	0.16	–	2,700,000	0.24
Chen Miao Zhu	6,611,000	23 February 2000	24 August 2000 to 23 August 2003	0.4496	6,611,000	–	–
	2,700,000	31 January 2001	1 August 2001 to 31 July 2004	0.16	–	2,700,000	0.24
Lo King Fat, Lawrence	1,900,000	31 January 2001	1 August 2001 to 31 July 2004	0.16	–	1,900,000	0.17
Fu Zi Cong	6,611,000	23 February 2000	24 August 2000 to 23 August 2003	0.4496	6,611,000	–	–
	2,500,000	31 January 2001	1 August 2001 to 31 July 2004	0.16	–	2,500,000	0.22
Senior Executive							
Chan Yiu Kuen, Holfred	1,400,000	31 January 2001	1 August 2001 to 31 July 2004	0.16	–	1,400,000	0.12

During the period, no share options were granted, exercised or cancelled. Apart from the above options, there was no other share option outstanding as at 31 December 2003.

Apart from the foregoing, at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable the directors or chief executive of the Company or any of their spouses or children under eighteen 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 INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

As at 31 December 2003, the persons having an interest in 5% or more of the issued share capital of the Company as recorded in the register of interests in shares and short positions required to be kept under section 336 of the Part XV of SFO were as follows :

	Number of ordinary shares interests	Percentage of total issued shares
Tan Sim Chew	209,105,226 <i>(note 1 and 4)</i>	18.47
Chen Miao Zhu	78,015,000 <i>(note 2 and 4)</i>	6.89
Crimson International Limited	71,515,000 <i>(note 3)</i>	6.32

Notes :

1. These 209,105,226 shares interested by Tan Sim Chew comprised 137,590,226 shares held by him personally as beneficial owner and 71,515,000 shares held by Crimson International Limited.
2. These 78,015,000 shares interested by Chen Miao Zhu comprised 6,500,000 shares held by her personally as beneficial owner and 71,515,000 shares held by Crimson International Limited.
3. These 71,515,000 shares were owned by Crimson International Limited. Tan Sim Chew and Chen Miao Zhu were beneficial shareholders of 60% and 40% respectively of the issued share capital of Cirmson International Limited. Accordingly, each of Tan Sim Chew and Chen Miao Zhu was deemed to be interested in these 71,515,000 shares owned by Crimson International Limited.
4. Apart from the shares above, Tan Sim Chew and Chen Miao Zhu respectively hold share options of the Company, details of which are set out under the section "Share Option Scheme" of this report.